

Te Mana Taumarū Mātauranga

Intellectual Property Guide for Māori organisations and communities

The guide includes information on each type of IP right, a selection of hypothetical scenarios, and practical tools that may assist whānau, hapū, iwi, commercial entities or others who may wish to formally protect and enforce their IP rights.

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Minister's foreword

Intellectual property rights are designed to foster economic growth for all New Zealanders. They are economic assets for businesses involved in the domestic and international trade of goods and services. Intellectual property rights protect creative efforts while sharing them with others, giving innovators and creators the opportunity to make a return on their ideas and creativity.

Like intellectual property rights, the knowledge, innovations and practices of Māori also have economic value (real and potential). One way in which our Māori communities and organisations can realise the economic potential of such knowledge, innovations and practices is through the use of intellectual property rights. In doing so intellectual property rights can have a role in the protection and promotion of mātauranga Māori.

While aspects of mātauranga Māori may have economic value, cultural and spiritual values associated with mātauranga Māori may make it inappropriate to seek intellectual property rights. This may be particularly inappropriate in circumstances where rights are sought and/or obtained by unauthorised parties. Many readers will be aware of the concerns regarding misappropriation and misuse of mātauranga Māori in the context of the Waitangi Tribunal claim WAI 262 (known as the “flora and fauna claim”). The Government is mindful of the relationship between this claim and intellectual property policy and legislation and work on these issues is ongoing.

The purpose of this IP Guide is to assist Māori communities and organisations to gain an understanding of intellectual property rights and to highlight some of the risks, limits and potential benefits of certain intellectual property rights to the preservation, protection and promotion of mātauranga Māori.

Striking a balance between the objectives of the intellectual property legislation and Māori needs is where the substantial amount of intellectual property policy work lies, moving forward. Respect is important; respect for intellectual property rights and for the cultural heritage of others. I hope this guide fosters respect for both.



Judith Tizard
Associate Minister of Commerce



Introduction

For many years indigenous and local communities have raised concerns about misuse and misappropriation of traditional knowledge in general, and particularly the interaction of traditional knowledge with intellectual property (IP) regimes. Māori have raised similar concerns in the Waitangi Tribunal, as well as internationally through bodies such as World Intellectual Property Organization (WIPO).

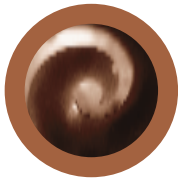
These concerns can be considered from two perspectives:

- › The inability of conventional IP rights systems to both provide adequate protection for traditional knowledge, or to limit the use of traditional knowledge to the appropriate holders of that knowledge only.
- › The acquisition by parties other than traditional knowledge holders of IP rights over traditional knowledge-based creations and innovations.

Some of the aspirations expressed by indigenous people and communities for the protection of cultural and spiritual taonga may not be compatible with the objectives and purposes of IP legislation. For example IP rights are usually limited in duration and involve disclosure to the public and the eventual contribution to the public domain. There are clearly limits in the extent to which protection which might be considered to meet the needs of indigenous communities, including Māori communities, can be achieved within an IP framework.

Other examples of the diverging expectations, in terms of what an effective level of protection might include, relate to the requirement of “originality” and the requirement to identify an individual (or commercial entity) as the author/creator of a work or innovation and vest IP rights in them. By contrast, the rights that indigenous people often assert may be collective, rather than individual, in nature with traditional knowledge and traditional knowledge-based innovations and practices possibly being developed incrementally over several generations.

Where it is not possible to achieve or reconcile different goals within the existing IP rights system with the goals and objectives of traditional knowledge holders, it may be possible to do so using a mixture of complementary legal and non-legal measures. Such mechanisms may include, for example, customary law, databases and registers, contracts, and preservation programmes. This is the focus of a good deal of work both in Aotearoa-New Zealand and around the world.



What is being done about these issues?

The relationship between IP rights policy and legislation and the traditional knowledge of indigenous and local communities is one that the Ministry of Economic Development has sought to respond to for a number of years.

One such example relates to the Trade Marks Act. Following extensive consultation with key Māori and other stakeholders, a comprehensive overhaul of Aotearoa-New Zealand's trade marks legislation took place in 2003. The new Trade Marks Act saw the inclusion of amendments to guard against the registration of trade marks based on Māori text and imagery and other "signs", where the registration or use of that proposed mark was likely to be offensive to a significant section of the community, including Māori. Cabinet has agreed to make similar changes to the Patents Act.

Our domestic and international experience suggests that further work needs to be done to address the concerns raised by Māori, and other indigenous peoples about the impact of intellectual property laws on traditional knowledge, both in terms of cultural preservation and economic development opportunities.

The Ministry wrote this IP Guide to:

- › help whānau, hapū, iwi, businesses or other rōpū to understand intellectual property (IP) rights;
- › show how IP rights may be useful to you and your rōpū;
- › give you practical information about how to get and enforce IP rights; and
- › explain some of the risks, limits and possible benefits of IP for preserving, protecting and promoting mātauranga Māori and traditional knowledge.

This guide has information on each type of IP right, as well as some practical examples and tools to help whānau, hapū, iwi, businesses or other rōpū who want to protect and enforce their IP rights.

The IP rights discussed in this guide are:

- › Trade marks
- › Patents
- › Copyright
- › Designs
- › Performers' rights
- › Plant variety rights
- › Geographical indications (Place names)
- › Trade secrets/Confidentiality information

A CD ROM accompanies this guide, and gives practical examples of important IP ideas to show you how to use IP rights to protect your cultural and intellectual property. You will also learn how to protect your traditional knowledge from being wrongfully used by others.

The Ministry of Economic Development manages the laws and policies on IP. The Ministry prepares policies and laws about intellectual property rights, and supports Aotearoa-New Zealand's interests at international bodies such as the WIPO, and the World Trade Organization (WTO).

Terminology

The terms traditional knowledge and mātauranga Māori are terms used frequently throughout this guide. Traditional knowledge is a common term that encompasses knowledge arising from all local communities, including that held by indigenous communities, around the world. The term is used by international bodies, such as:

- › The World Intellectual Property Organization (WIPO) – which has established an Intergovernmental Panel on Traditional Knowledge, Genetic Resources and Traditional Cultural Expressions/Folklore; and
- › The Secretariat of the Convention on Biological Diversity (CBD).

Mātauranga Māori, on the other hand, refers to knowledge specific to Māori communities and is the most significant body of traditional knowledge in Aotearoa-New Zealand.

It is also important to note that the terms traditional knowledge and mātauranga Māori, as they are used in this guide, also include the tangible or physical expressions of that knowledge, whether they be through visual art, waiata, haka, or any other tangible form of traditional expression. The tangible expressions of traditional knowledge are often referred to in the international context as traditional cultural expressions or expressions of folklore.

Intellectual Property

What is intellectual property?

Intellectual property (IP) is the broad term we use for the range of property rights that protect “creations of the mind”, for example inventions, literary and artistic works, images, names, symbols and commercial designs.

The main types of IP rights are patents, trade marks, designs, copyright, geographical indications and plant variety rights (or plant breeders’ rights). These are each described in more detail later in this guide. Like other forms of property, IP rights can be bought, sold, licensed or given away.

IP rights have sometimes been used by traditional knowledge holders to protect certain collective traditional practices of indigenous communities. It is important to note that in some cases more than one kind of IP right can apply.

Quick summary:

IP right	Description	For example
Copyright	Original literary, artistic and musical works; performances, sound recordings and broadcasts	Waiata, kapa haka performances, koauau tunes, weaving, carvings, jewellery, books
Patents	New inventions	New products, manufacturing processes, new chemical compounds, computer technology and software
Designs	Commercial designs	Jewellery, fabric designs, ornaments
Trade marks	Brands, logos, names and symbols	toi iho™ māori made™
Geographical indications	Names of origin	Champagne for French wine
Plant variety rights	New plant varieties	New varieties of apples

Why do we have intellectual property rights?

IP rights enable people who have created new works to control for a limited time what others may do with their works. This exclusive right provides artists, creators and innovators with the opportunity to benefit financially from their creative efforts and any investments they have made in producing this new work.

In economic terms, these potential benefits are what provide the incentive for people to invest time and money in new creative or innovative activities.

Being granted an IP right comes with certain conditions, and these vary depending on the nature of the right.

IP rights have sometimes been used by traditional knowledge holders to protect certain collective traditional practices of indigenous communities.

For example, being granted a patent gives the maker of a new invention particular exclusive rights for a maximum of 20 years¹. These include the right to exclude other people from making, using or selling the patented invention while the patent is in place. In exchange for these rights, the patent owner must disclose the details of the invention. This is to encourage the sharing of information and add to society's collective knowledge.

It may stimulate other inventors to build upon the innovation in question, which means the body of knowledge in relation to a particular innovation or invention increases still further. This process is known as “cumulative innovation”.

Although, from an owner's perspective, it may seem like the greater and longer the protection the better, in practical terms IP rights are essentially economic rights. These encourage people to continue to innovate for their own benefit and the benefit of society as a whole.

There needs to be a careful balance between the protection of those who own IP rights and the wider need for society to encourage creativity, innovation and growth.

How can intellectual property rights help my business or organisation?

Regardless of what product your business/organisation makes or what service it provides, you are probably regularly using and creating IP.

To survive and grow your business, you need to know how to protect, manage and get the best out of your IP assets and also how to avoid conflict with somebody else's IP rights.

The strategic use of IP can make your business much more competitive. For example, IP can:

- › generate an income that could improve your business's market share or profit margins;
- › help prevent other businesses “free riding” on your research and development of new and better products; and
- › increase the value or worth of your business in the eyes of banks and other investors.

This is particularly relevant in the event of a sale, merger or potential acquisition of your business. Your IP assets may not just significantly raise the value of your business (as is often the case), they may be the primary asset a prospective buyer is interested in.

How do I protect my intellectual property?

With the exception of copyright, which arises automatically when any original work is created, your IP assets must generally be registered to gain protection.

The Intellectual Property Office of New Zealand (IPONZ)² is responsible for the registration of trade marks, patents and designs. However, if you are in the business of breeding new plant varieties, you need to approach the New Zealand Plant Variety Rights Office (NZPVRO) for advice on how to register for plant variety rights (PVR)³.

¹ If an application for a patent is accepted, the owner or inventor is granted a maximum of 20 years' exclusive rights in relation to that invention from the date the patent application was first filed.

² IPONZ can be contacted online through www.iponz.govt.nz

³ The New Zealand Plant Variety Rights Office can be contacted online through www.pvr.govt.nz

What do I need to do to make my intellectual property rights work for me?

To ensure your IP rights work for you, you need to follow four key steps:

Acquisition – The first step is to acquire IP rights over your IP assets by registering at IPONZ for trade marks, patents or designs or NZPVRO for plant varieties.

Exploitation – Essentially this means that the protection of IP isn't there for its own sake. It is there to give you the opportunity to exclusively use or "exploit" your IP assets. You may be doing this in a variety of ways, including manufacturing and selling the goods or services yourself, authorising others to do so through licence and franchise agreements, or on-selling your IP rights to a new owner.

Monitoring – It's important to monitor your IP to identify possible infringement of your IP rights.

Enforcement – The final step is to enforce your IP rights if they have been infringed. As the IP owner, you are responsible for enforcing your IP rights.

The Ministry recommends you seek the advice of an IP lawyer or registered patent attorney to help you in this process.

How do I get IP protection overseas?

Again with the exception of copyright, IP rights registered in New Zealand are only protected in New Zealand. Each country has its own IP laws and regulations. There is no worldwide trade mark, patent, design or plant variety/breeder's right. It is possible, however, to file a multi-country application (like a European Community Trade Mark (CTM) application or Patent Cooperation Treaty (PCT) application) as a first step towards protecting your IP rights in other countries.

The WIPO website (www.wipo.int) contains information on international IP protection. IP law is complex and the Ministry recommends you get professional help from a registered patent attorney.

Copyright is different because it is not registered. When an original work is created in New Zealand, it is not only protected by copyright in New Zealand, but also automatically protected under the copyright laws in most other countries as a result of international treaties to which New Zealand and other countries are members.

What role can IP have in the protection of mātauranga Māori?

While there are limits to the protection IP rights can provide for mātauranga Māori, a number of existing forms of IP rights can give some protection. Some IP rights, such as copyright, are available to protect contemporary expressions or adaptations of mātauranga Māori (not the underlying mātauranga Māori or traditional knowledge). Other IP rights, such as trade marks, can be used to certify the authenticity of Māori products, and the action of "passing off" (see page 38) can be used to fight false claims of indigenous authenticity. The sections that follow on the different IP rights and ways of enforcing them can provide information on how they may be of use to holders of mātauranga Māori.

The term traditional knowledge is also used in a number of international contexts, particularly those with an interest in examining the implications of intellectual property rights on local and indigenous communities.

Copyright

COPYRIGHT AND MĀTAURANGA MĀORI

Copyright can be used to protect the expression of some forms of mātauranga Māori and traditional knowledge (but not the underlying ideas, content or style), when it is recorded in a fixed form. Under copyright laws there are limits to the period of protection and an author must be identified. This means copyright protection is likely to be relevant to “contemporary”-based expressions of traditional culture only. Examples of things that might be protected include:

- › the musical composition or lyrics of contemporary or previously unfixed traditional waiata as “**musical works**”, with separate protection for “**sound recordings**”;
- › newly documented oral history, as “**literary works**” or “**films**”; and
- › carvings, paintings, weaving, textiles, photographs, architecture as “**artistic**” works.

The term “copyright” refers to rights in relation to original works and protects the particular manner of expressing an idea or conveying information.

Copyright protection comes into existence automatically upon the creation of any original work. Registration of copyright is not required and there is no registration process for copyright in Aotearoa-New Zealand.

Although it isn’t required by law, it is a good idea to include a copyright statement or notice on the work. This lets others know the work is subject to copyright protection and that they need to get consent to copy the work or use it in any other way that is restricted by copyright. A common form of copyright notice consists of the © symbol, the name of the copyright owner and the year the work was first published. For example: © Ministry of Economic Development, 2007.

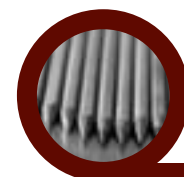
Copyright protection is provided for by the Copyright Act 1994.

What qualifies for copyright protection?

Copyright can exist in original works of the following categories:

- › **Literary works:** including computer programs, tables and compilations.
- › **Dramatic works:** including dance or mime and scenarios or scripts for films and plays.
- › **Artistic works:** irrespective of artistic “quality” or merit.
- › **Musical works:** note that accompanying lyrics or dances could be separately protected as a literary or dramatic work.
- › **Sound recordings:** the recording is protected separately from any copyright for the work that has been recorded.
- › **Films:** whatever the format, for example, video cassette, DVD.
- › **Broadcasts and cable programmes:** protected separately from any copyright for the content being shown.⁴
- › **Typographical arrangements of published editions:** The typeset or image (how it is presented or laid out) of the published edition of the whole or part of a literary, dramatic or published work.

Registration of copyright is not required and there is no registration process for copyright in Aotearoa-New Zealand.



⁴ Please note that this right is likely to be amended by the *Copyright (New Technologies and Performers’ Rights) Amendment Bill*, which is currently being considered by Parliament. The Bill amends the Copyright Act by creating a technology-neutral right of communication to the public, which would include broadcasting the work or including the work in a cable programme service.

Copyright case study

Ngahuia⁵, our kuia, is the main composer of all waiata taught to her Awhina Kapa Haka group. Most of the waiata are historical in content and recite stories told to her by her elders about her hapū and the land and resources within their rohe. As the tutor of Awhina Kapa Haka, she has recently become aware of IP rights. She isn't too sure which IP rights apply, but is keen to protect the waiata she creates.

Copyright is the applicable IP right in this case, because copyright applies to literary, artistic and musical works. Ngahuia wants to protect the lyrics (literary) and the tunes (music) of her waiata.

How does Ngahuia copyright her work?

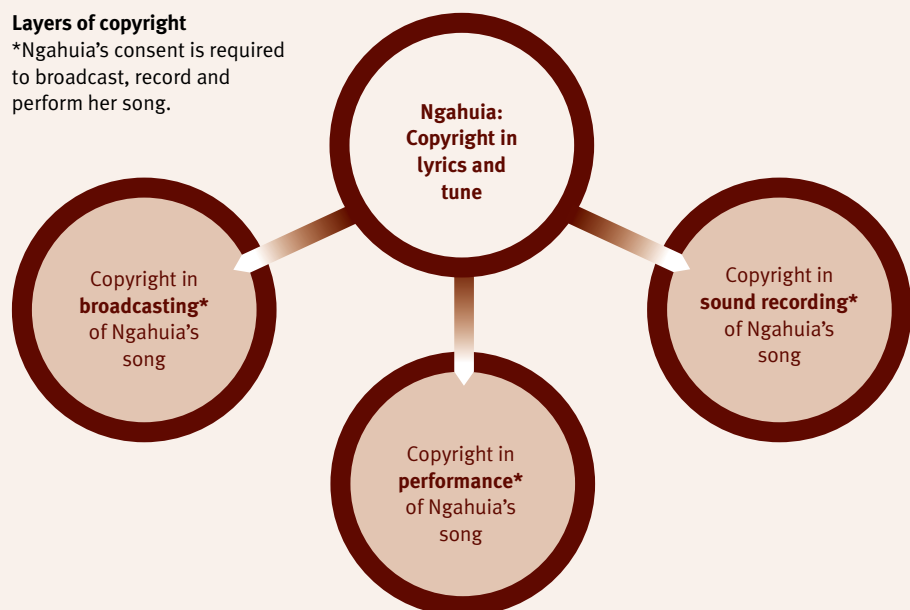
As we discussed above, copyright automatically exists in any new creation, provided the four following requirements are met:

- › The work must be either **artistic, literary or musical**.
- › The work must be sufficiently **original** (not copied).
- › The author must be a “**qualified person**” (this just means you have to be an Aotearoa-New Zealand Citizen).
- › The works must be **fixed** either in writing or some other material form.

There can be several layers of copyright in one work, for example, Ngahuia will have copyright in the lyrics and the tune. The performers of her song may also have performers' rights. Sound recordings and broadcasters' rights might also apply.

Layers of copyright

*Ngahuia's consent is required to broadcast, record and perform her song.



⁵ All case studies in this guide are hypothetical.

How much will it cost Ngahuia to copyright her work?

It won't cost Ngahuia anything to copyright her work as there is no formal registration process.

Does Ngahuia have to use the copyright symbol © on all of her original works?

No, Ngahuia does not have to display the copyright symbol © on her original literary and/or musical works. The symbol does, however, let others know that copyright exists in that work. If Ngahuia does wish to notify others that copyright exists in her work, the notice is usually written in the following way: © with the creator's name, and the date of the creation. For example: © Ngahuia Koi, 1 January 2007.

Without Ngahuia's consent, no-one can:

- › copy her work;
- › publish, issue or sell copies of her work to the public;
- › perform her work in public;
- › play her work in public;
- › show her work in public;
- › broadcast her work or include her work in a cable programme service;
- › make an adaptation of her work or do any of the above activities in relation to an adaptation; or
- › authorise any other person to do any of the restricted activities listed above.

If they do, they are infringing Ngahuia's copyright. For example, if another kapa haka rōpū chooses to perform one of Ngahuia's original compositions without her permission, they are infringing Ngahuia's copyright.

Ngahuia's waiata are based on tribal stories – does that make her the author?

In copyright terms, yes. Although Ngahuia gets the inspiration to write her waiata from old tribal stories handed down over time, she invests time and energy into telling those stories in a new, and therefore original way. This makes her the "author" of the new waiata even though they are based on traditional material.

Does copyright allow Ngahuia to prevent others from copying the stories about her hapū that Ngahuia has retold through waiata?

No, it does not. Copyright only protects the *expression* of the idea, not the underlying idea itself. Therefore, the way Ngahuia has chosen to express the stories passed down from her ancestors is protected, but other people can come up with their own expression. This means someone else can tell the same story using different words and a different tune without infringing Ngahuia's copyright.

It isn't the information used in a work that is protected, but the way in which it is expressed by the author.

Tip

Singing or performing original waiata that "belong to" other groups without first obtaining a licence or their express permission is an infringement of the composer's copyright. Making sure your rōpū gets permission shows the composer the appropriate respect for their work and ensures your rōpū is not exposed to any risk of potential court action or criticism.

Likewise, before you can use or perform a song from the radio, you must first get permission to use it. Permission can be granted by the copyright owner or by one of the various organisations established to represent copyright owners, including, for example, the Australasian Performers Rights Association (APRA) and Phonographic Performances New Zealand Limited (PPNZ).

APRA is an association of composers, lyricists and their publishers that administers the public performance and broadcast rights of copyright music. APRA are responsible for granting licences to use musical works, that is: the composition and/or lyrics. For more information on APRA and obtaining a licence, see the APRA website, www.apra.com.au/music-users

PPNZ grants licences for the broadcast and performance of sound and video recordings. PPNZ can grant licences for the broadcast and performance of recordings in the public arena. For more information on PPNZ and obtaining a licence, see the PPNZ website <http://www.rianz.org.nz/rianz/PPNZ.asp>

The broadcast or public performance of a recording requires one licence from APRA and one from PPNZ.

So, can Ngahuia prevent others from using the tribal stories of her hapū?

Because the IP regime was originally created to *encourage* creativity, innovation and the *sharing* of ideas, rather than to prevent others from accessing those ideas, there are limits to how much protection IP rights can provide for traditional knowledge. The fact that IP rights are generally time limited rather than offering perpetual protection is one example of these limitations.

Moral rights (see page 12), may, however, offer a limited form of help in this situation.

The right of the author to object to *derogatory treatment* of their original expression is important in this case, particularly if Ngahuia wishes to preserve the overall integrity of the work and the underlying story or ritual knowledge.

Moral rights are based on an assumption that a creator's work is an extension of the creator's personality and, therefore, any interference with the work that offends the *honour or reputation* of the creator should be refrained from.

Although this kind of example has not yet been tested in the Aotearoa-New Zealand Courts, moral rights could potentially be extended to protect works from cultural misuse.

For example, if a reproduction of one of Ngahuia's original compositions (based on her tipuna history) was altered and used to sell a product or service that was at odds with the tikanga of her hapū, Ngahuia could claim that the song was used in a culturally derogatory manner, and that affected her reputation and honour among her people.

What does not qualify for copyright protection?

Copyright protects particular original expressions of an idea. It doesn't protect ideas that can be expressed in other ways.

For example, if you paint a picture of a nikau, the way you do this is effectively *your* expression. Someone else cannot copy your expression of a nikau without infringing your copyright. That person can, however, still paint a picture of a nikau, but express it in their own way. This is not an infringement of copyright because there is no copyright in nikau, or in the idea of painting a nikau. Your copyright exists in the way you expressed the nikau only.

What rights does copyright give?

The owner of copyright in a work has the “exclusive right” to do certain “restricted acts” in relation to the work. These include:

- › copying the work;
- › publishing, issuing or selling copies of the work to the public;
- › performing the work in public;
- › playing the work in public;
- › showing the work in public;
- › broadcasting the work or including the work in a cable programme service;
- › making an adaptation of the work or doing any of the above activities in relation to an adaptation; and
- › authorising any other person to do any of the restricted activities listed above.

Who owns copyright?

The creator of an original work will usually be the owner of any copyright in that work. There are two exceptions to this rule:

- › Where a work is created in the course of employment, the employer is the owner.
- › Where someone commissions, and agrees to pay for, a photograph, painting, drawing, diagram, map, chart, plan, engraving, model, sculpture, film, sound recording or computer program, the person who commissioned it will be the owner.⁶

These positions can be varied by written agreement – which means the artist or creator of a work can enter into a contract or agreement that says they will retain copyright.



⁶ Please note that the provision relating to the ownership of commissioned works is currently being reviewed by government. Please see www.med.govt.nz/intellectualproperty for more information on this review.

Are there any exceptions to copyright?

There are a number of exceptions to copyright. These are called “permitted acts”. Sometimes it is decided that the wider public interest or the interests of particular groups make it necessary to restrict or limit the rights granted to copyright owners. These include:

- › “fair dealing” – for the purposes of criticism, review, news reporting, research or private study;
- › limited copying or dealing in the work for particular educational purposes in specific circumstances;
- › limited copying or dealing in the work by librarians or archivists in specific circumstances; and
- › recording a television programme for the purpose of making a complaint or watching it at a more convenient time.

Moral rights

In addition to economic rights, authors and directors have certain “moral rights”. These rights include:

- › the right to be identified as the author of a work (the right of attribution);
- › the right to object to derogatory treatment of the work (the right of integrity); and
- › the right not to have a work falsely attributed to them.

Moral rights can’t be assigned to another person except upon the death of the author.

How long does protection last?

The general rule for literary, dramatic, musical or artistic works is that copyright lasts for the lifetime of the author plus 50 years. For sound recordings and films, copyright lasts for 50 years from the end of the calendar year it was made, or made available to the public, whichever is later. For artistic work industrially applied, copyright protection lasts 16 years from the time the work is industrially applied. Other types of works have different periods of protection. Once copyright in a work expires, the work falls into the “public domain”⁷ and can be freely used.

Does copyright protection apply overseas?

Aotearoa-New Zealand is a party to various international agreements on copyright. This means that when an original work is created in Aotearoa-New Zealand, it is also automatically protected in other countries that are also party to those agreements.

⁷ See Documentation of mātauranga Māori on page 42 for an explanation of the public domain.

Performers' Rights

PERFORMERS' RIGHTS AND MĀTAURANGA MĀORI

Performers' rights can be used to protect the expressions of some forms of mātauranga Māori, for example, the performance or recording of performances (sound or visual), such as waiata and kapa haka.

Performers' rights are particularly relevant for waiata and kapa haka performances.

What are performers' rights?

Performers' rights are a type of IP right known as a “neighbouring” or “related” right, as they sit next to or are related to copyright. Performers' rights are different and independent from any copyright that may exist in a copyright work that is being performed. For example, performers of Ngahuia's waiata (see the copyright case study on page 8) would have rights that exist separately from Ngahuia's copyright in her original composition. Performers' rights are provided for in the Copyright Act 1994.

Performers' rights are particularly relevant for waiata and kapa haka performances.

What rights do performers have?

Performers have the right to authorise or prohibit certain direct or indirect uses (forms of exploitation) of their performances, such as:

- › recording of their performance;
- › broadcasting or including their performance in a cable programme service;⁸ and
- › copying a recording of their performance.

Once a performer *has* consented to a particular form of exploitation of a specific performance (this could include recording, broadcasting or copying the performance), then he or she essentially loses control over that particular performance, because consent cannot be withdrawn once the permitted exploitation of that performance has taken place. In addition, once consent is given, a second person may in turn exploit that performance, provided they stay within the boundaries of the first consent.

Which performances are protected?

Protected performances include dramatic performances, musical performances, readings and recitations of literary works and variety act performances.

Performances are protected in audio (such as sound recordings) and audiovisual media (such as films), regardless of whether the performers are principal performers or extras, amateur or professional, or involved in the entertainment industry or in another calling, skilled or unskilled.

What performances are not protected?

Performances that are not protected include those by the students or staff of an educational establishment, news readings or other information delivery, sporting activities, and participation in a performance by members of an audience.



⁸ Please note that this right is likely to be amended by the *Copyright (New Technologies and Performers' Rights) Amendment Bill*, which is currently being considered by Parliament. The Bill amends the Act by creating a technology-neutral right of communication to the public, which would include broadcasting the work or including the work in a cable programme service.

How are performers' rights infringed?

Performers' rights are infringed if a performance, or a substantial part of a performance, is used without the performer's consent. The law distinguishes between the exploitation of "live performances" and performances that are in audio and audiovisual media. Infringing performers' rights in live performances includes recording or broadcasting a live performance. For example, when you attend a live concert, you are generally not permitted to record or take photographs of it.

A performer's rights are also infringed when a recording of a performance that has been made without the performer's consent is broadcast, shown, played, copied, imported or sold.

Who owns performers' rights?

The first owner of a performance is always the individual performer. Performers' rights are granted to each performer for each performance made. In this respect, there is no concept of group ownership and members of a group do not have collective rights in a group's performance. For example, in a kapa haka rōpū each member has individual rights in his or her performance as part of the overall kapa haka performance. They also have rights in each performance no matter how many times the performance may be repeated or how similar they may be.

Although there is no provision for the assignment of performers' rights, in practice, however, producers generally require performers to consent to the proposed form of exploitation of their performances – whether it is to be broadcast, or reproduced on an album, for example. In this way, a producer will then be in much the same position as if a performer had transferred those rights to him or her by assignment.

Are there any exceptions to performers' rights?

You are allowed to do a few things without infringing performers' rights. These include:

- › the incidental copying of a performance or a recording of a performance in a sound recording, film, broadcast or cable programme;
- › fair dealing with a performance or a recording of a performance for the purposes of criticism, review or reporting current events; and
- › copying a recording for teaching purposes.


Making a recording of a performance or copying a recording of a performance is also permitted if it is done for a person's "private and domestic use".

How long does protection last?

Protection for performers lasts for 50 years from the end of the calendar year in which the performance takes place.

Other protection for performers

Performers' rights are supplemented by protection available under other branches of the law. The three main categories are: contract, copyright and actions that protect a performer's reputation. Performers who wish to protect their performances under these categories must, however, establish their rights in accordance with the requirements for that category.



The main types intellectual property rights are patents, trade marks, designs, copyright, geographical indications and plant variety rights (or plant breeders' rights). The nature of each of these rights is described in more detail later in this guide. Like other forms of property, IP rights can be bought, sold, licensed or given away.

Trade Marks

TRADE MARKS AND MĀTAURANGA MĀORI

Positive protection (getting a trade mark registration)

Trade marks can be used to protect distinctive signs or symbols associated with Māori culture provided the mark is used *in trade* as a brand or logo. In addition, these trade marks must be *distinctive*. This means they have to distinguish one particular set of goods or services from similar goods or services provided by other people.

Certification and collective trade marks can be used to let consumers know which products are authentic indigenous products. The *toi iho™ māori made™* mark is an example of a trade mark created to protect products created by Māori artists (see case study opposite).

Defensive protection (stopping a trade mark registration)

We mentioned in the opening sections of the guide, the changes that had been made to the Trade Marks Act to guard against the registration of trade marks based upon Māori text, images and other signs, where the registration and use of the mark was likely to prove offensive to a significant section of the community, including Māori.

When someone applies to register a trade mark that is or appears to derive from a Māori word or imagery, the application will be referred to the Māori Advisory Committee. The Committee advises the Commissioner of Trade Marks whether the application is likely to be offensive to Māori. Where this is found to be the case, it is likely that IPONZ will raise concerns that the mark is not registerable under the Trade Marks Act 2002. For more information on the Trade Marks Māori Advisory Committee, see www.iponz.govt.nz

Are offensive trade marks the same as trade marks in poor taste?

No. A trade mark must be rejected if the use or registration would be likely to offend a significant section of the community, including Māori. However, a distinction must be made between marks that are offensive and those considered by some to be in poor taste. The Trade Marks Act only prohibits the registration of marks that are likely to offend a significant section of the community. It does not prohibit the registration of marks that are in poor taste.

What is a trade mark?

A trade mark is often referred to as a “logo”, “brand” or “brand name”. Trade marks can include words, logos, colours, sounds, smells – or any combination of these – as long as they can be graphically represented. Once a trade mark is registered, the © symbol may be legally used against the trade mark. A ™ symbol shows a sign is being used as a trade mark but does not indicate whether the sign is registered.

A trade mark must be sufficiently unusual or fanciful so that consumers would only associate it with one trader. Consumers who are satisfied with a particular product are likely to buy or use the product again in the future.

Trade mark protection is provided for by the Trade Marks Act 2002.

The toi iho™ māori made™ mark

The toi iho™ māori made™ mark is a registered trade mark that Māori artists can attach to the artworks they create. The toi iho™ trade mark takes the form of a label or sticker and, when attached to Māori-made artworks, tells consumers that the artworks are genuinely Māori and of a quality standard.

How do you apply for the toi iho™ māori made™ mark?

To apply to become a licensed toi iho™ user, you must complete an application form and forward it to:

Te Waka Toi (the Māori Arts Board)
Creative New Zealand
PO Box 3806
WELLINGTON

You can download an application form from the toi iho™ website (www.toiio.com) or you can request one from the toi iho™ Administrator at Creative New Zealand in Wellington (telephone 04 473 0880).

You will need to provide additional material and references in support of your application and examples of artwork that you have created. You will also need to confirm that you are of Māori descent. This means you need to complete a whakapapa form (provided with the application form) specifying the iwi you are affiliated to, who your parents are, and who your grandparents are. A kaumātua or kuia from your iwi or urban authority member will need to verify the whakapapa information.

How much does it cost to apply for a toi iho™ māori made™ mark?

For individuals there is an initial application fee of \$100 (excl GST), with an annual renewal fee of \$50 (excl GST). For groups and organisations, the application fee is \$200 (excl GST), with a renewal fee of \$100 (excl GST) per annum.

How will my application be assessed?

Your application will be assessed by a panel of senior Māori artists who are recognised in the Māori arts community as having a long history of creating high quality Māori artworks. The panel will examine your application in terms of the type of artworks you create, how you have used Māori concepts, designs and/or symbols in your work, and the materials, techniques and processes you have used. They will also study your artistic portfolio, examine examples of your work and note the references that you have provided in support of your application.

How will the toi iho™ māori made™ mark help me?

The toi iho™ māori made™ mark will give credibility to you and the artworks that you create. In attaching the toi iho™ trade mark to your work, you identify yourself as a Māori artist and your work as having been made by a person of Māori descent. For consumers who want an authentic Māori artwork of a quality standard, the toi iho™ trade mark will reassure them that is what they are getting.



Examples of trade marks

- › coca cola®
- › toi iho™
- › Mean Maori Mean®
- › ALL BLACKS®
- › air new zealand®

How can trade marks help my business or organisation?

Trade marks act as a badge of trade origin, helping consumers distinguish your goods or services from those of another trader. They are a marketing tool that gives consumers information about the source and quality of the goods and services sold under the trade mark. If trade marks are managed well, they can become one of the more valuable assets within your business.

For some businesses it can be their most valuable asset. An owner of a trade mark with a good image and reputation can have a competitive edge in the market, as consumers are more likely to purchase a product or service sold under a trade mark that has reliable quality.

What qualifies for trade mark protection?

Almost any sign that is capable of being represented graphically (i.e. you can draw or paint), and is capable of distinguishing the goods or services of one person from those of another, can be registered as a trade mark.

What does not qualify for trade mark protection?

You can't register a trade mark that indicates the kind, quality, intended purpose or dollar value of the product or service, unless it is presented in a unique or unusual way, or incorporated into a trade mark as one of its elements.

A trade mark can't be registered if it:

- › is the same as or similar to, or a translation of, trade marks already on the Register of Trade Marks;
- › is the same or similar, or a translation of, another trade mark that is well known in Aotearoa-New Zealand;
- › is likely to mislead, confuse or is offensive;
- › is a generic term, such as *soap* for soap products;
- › is a superlative (such as *best*, *super*);
- › is a descriptive term, such as *kai* for food, or *sweet* for ice cream;
- › is a place name associated with the good or service, such as *Bluff* for oysters;
- › is a name of a plant variety;
- › contains a representation, or an imitation of any representation, of Her Majesty or any member of the Royal family;
- › contains a representation of a flag, armorial bearing/coat of arms, insignia, orders of chivalry or state emblem; and
- › suggests endorsement or licence by a particular person or organisation.

Trade marks must be distinctive

A trade mark must be distinctive of a single trader's goods or services. This means it must be unusual enough that consumers would identify it with only one trader. If a trade mark isn't distinctive, the public won't identify the trade mark as a "brand" or "logo". For example, the term "budget supermarket" for retail of food and household items is unlikely to identify one trader from any other in the same kind of business. The term could be used in connection with many different traders, so it would be unfair to grant a monopoly of such a term to any one trader.

Trade marks can't be descriptive of a characteristic of the goods or services

Marks that simply describe the goods or services they relate to are unlikely to be able to be registered. For example, the word “apple” can't be registered as a trade mark for fruit. However, APPLE® is not descriptive of computers and therefore is distinctive in relation to computers.

Trade marks can't be terms that are customary in the trade

Marks that are commonly used in relation to the goods or services the mark is being used for may also not be distinctive. A colloquial or generic term that has been commonly used to describe a characteristic of the goods or services might not be able to be registered. For example, the term “extra supreme” is commonly used to describe a pizza with many toppings, and so couldn't be registered as a trade mark in relation to pizza.

What is a certification trade mark?

Certification trade marks certify that the goods or services that bear the certification trade mark are of a particular character or standard that has been formally associated with that product. Anyone who complies with the character or standard is entitled to use the mark. The Heart Foundation Red Tick® is one example of a certification trade mark that most New Zealanders will be familiar with.

Certification marks may be useful for indigenous communities as a means to inform consumers of the origin, quality and authenticity of their indigenous products or services.

What is a collective trade mark?

Collective trade marks are trade marks that belong to a collective group whose members use the trade mark to promote a level of quality or other characteristic. One example of a collective trade mark is the Registered Master Builders Federation®. The mark represents builders whose work has been determined to be of a certain standard and quality.

Collective marks may also be a useful way of protecting collectively held knowledge and informing consumers of the quality and authenticity of their indigenous products or services.

What rights does a trade mark provide?

Once a trade mark is registered, the owner has the exclusive right in Aotearoa-New Zealand to use that trade mark in relation to any goods or services in respect of which the trade mark is registered. This means no one else is permitted to use the trade mark or a trade mark similar enough to deceive or cause confusion in the course of trade including, for example, manufacturing, importing and/or selling such goods.

Trade mark owners may assign or license their registered trade mark to another person.

Tip

As we have discussed, the Trade Marks Act does not allow purely descriptive marks to be registered. Often first-time trade mark applicants apply for trade marks that are purely descriptive of their business in some way, or are not distinctive of their business. Such applications are subsequently rejected by IPONZ – costing time and money.

Presenting descriptive or non-distinctive terms in a unique or unusual way is one way of including descriptive elements in a trade mark. For example, you could:

1. design a distinctive device and include the descriptive words as part of the trade mark; or
2. come up with, or choose a unique word, and include the descriptive words as part of the trade mark.

It is important to remember that if your trade mark is registered, your rights are in that mark as a whole, rather than in the individual elements of the mark. It may be possible, however, to register an individual element of a trade mark provided that element meets all the criteria for registering a trade mark.

In Aotearoa-New Zealand, all trade marks are registered through IPONZ.

How long does protection last?

Once your trade mark is registered, the initial registration lasts for a period of 10 years from the date IPONZ received your application. You can renew your registration for further periods of 10 years, for an indefinite period.

Do I have to register my trade mark before I can use it?

No. You are not legally required to register your trade mark to use it. Before using a mark that is not registered it is a good idea to check that you are not infringing anyone else's trade mark.

So why register?

Registration of a trade mark gives the owner a statutory monopoly. If another person uses the same or a similar trade mark as yours in relation to the same or similar goods and services, as long as the date of registration of your trade mark precedes the other person's use, you can generally sue for trade mark infringement. Because you have this statutory right, you don't need to have established a reputation in the trade mark, or to demonstrate that the other person's use is causing damage to your business.

If the mark is unregistered, in order to protect your mark, you will be relying on what is called the common law action of passing off (see page 38) or take proceedings under the Fair Trading Act 1986. It can often be much harder in these circumstances to prove that your unregistered trade mark is being infringed and you will need to be able to demonstrate that:

- › you were first to use the trade mark;
- › you have established a reputation in the use of the trade mark (essentially that you have built up goodwill through the use of the trade mark);
- › the other person's use of the trade mark is misleading or confusing; and
- › the other person's use is causing damage to your business.

Enforcing unregistered trade marks can be a long and costly exercise.

How do you register your trade mark?

Searching for trade marks

Before either applying to register a trade mark or using a trade mark, you should check that your trade mark, or a similar trade mark, is not already registered or in use by another person. This could alert you to the possibility of breaching someone else's rights in a trade mark. If a similar or identical trade mark is registered or in use it may, however, still be possible to use that mark provided the goods or services it covers are so different that people are unlikely to be misled or confused. In this situation, seek professional advice before using the mark or applying to register it.

You can search for registered trade marks by:

- › viewing the register of trade marks provided by IPONZ on its website www.iponz.govt.nz; or
- › getting IPONZ to conduct a search of the register on your behalf (a fee is charged for this service).

You should also search the existing market of your product or service for unregistered trade marks that look or sound the same or similar to yours. An Internet search for the mark may help you identify identical or similar unregistered trade marks already in use by other parties. You should, however, consider seeking professional advice from a patent attorney or trade marks agent to ensure you are not infringing anyone else's trade mark.

Making an application

In Aotearoa-New Zealand, all trade marks are registered through IPONZ. You can do this either by sending a completed application form and application fee to IPONZ or by using the online application facility on the IPONZ website.

To secure a filing date for your application you must supply the application form, together with the prescribed fee and:

- › a clear representation of the mark;
- › your name and address; and
- › a list of the goods and/or services that you want to register.

Different goods and services are classified into different classes for the purposes of registration. If your trade mark is to be used for goods or services falling in two or more classes, you will have to register your trade mark in each different class. This is explained in more detail below.

What is a trade mark specification?

When you apply to register a trade mark, you must include a list of all goods and/or services that you want to register the trade mark for. This is called the specification of goods or services. When deciding on your specification, you must:

- › have an honest intention to trade in all goods and/or services listed in the specification;
- › ensure the list is clear so that anyone looking at the description will know the exact nature of the good or service; and
- › ensure the specification is a description of “what” you trade in not “how” you trade in them. For example it is not necessary to say “the trade mark will be used on a letterhead”.

What are trade mark classes?

When you have decided on what your specification of goods and/or services will contain, you need to classify your specification of goods and services. Classification is the term used to describe the system of categorising goods and services of a similar kind into classes for the ease of identification and searching.

The current system used in Aotearoa-New Zealand is made up of 45 classes – classes 1 to 34 relate to goods, and classes 35 to 45 relate to services.

For more information on classification see www.iponz.govt.nz

Examples of clear specifications are:

- › clothing;
- › wholesale and retail of clothing;
- › provision of temporary accommodation services, namely bed and breakfast services.

Examples of correctly classified goods and services are:

- › Class 25: clothing;
- › Class 35: wholesale and retail of clothing;
- › Class 43: provision of temporary accommodation services, namely bed and breakfast services.

How much does it cost to register a trade mark?

Trade marks are organised or categorised in terms of “classes” of goods and services. The fees for registering a trade mark are currently \$100 per class (excl GST).⁹ The renewal fee, after 10 years and every 10 years thereafter, is \$250 (excl GST). The fee for trade mark registration is *for one class only*. If you wish to register your trade mark in relation to goods or services in more than one class, additional fees are required.

Is a trade mark the same as a company name?

No. Trade marks are exclusive rights to use a brand name. Company names are registered legal identities registered with the New Zealand Companies Office. Registration of a company name only prevents another company being incorporated under an identical or almost identical name. A company name registration will not prevent the registration of the same or similar name as a trade mark.

To avoid potential disputes you may wish to check the register of company names to determine whether anybody is already trading under a name that is similar to a name you may wish to trade mark. This can be done free of charge via the Companies Office website www.companies.govt.nz

Who enforces trade mark protection?

A trade mark is personal property, so it is your responsibility as the trade mark owner to ensure other people don't use your trade marks on goods or services that are identical or even similar to your own.

If you discover another person is using your trade mark, you can apply to the High Court for remedy. Types of remedy that the Court may grant for trade mark infringement include injunction, damages or an account of profits. In reality, most trade mark disputes are settled out of court.

You should consult a registered patent attorney or an IP lawyer if you consider that your trade mark rights are being infringed.

Does trade mark protection apply overseas?

A trade mark registered in Aotearoa-New Zealand will only provide protection in Aotearoa-New Zealand. To obtain protection for your trade mark in other countries, you or your representative will need to apply to the IP office in the overseas countries of interest. For example, in Australia you need to register your trade mark with IP Australia (see www.ipaustralia.gov.au for more information).

However, you may be able to use your Aotearoa-New Zealand application date if you submit an overseas application for the same trade mark within six months of applying for registration in Aotearoa-New Zealand.



⁹ Fees for registering a trade mark are subject to change. Please consult www.iponz.govt.nz for the most up to date information on trade mark fees.

Patents

PATENTS AND MĀTAURANGA MĀORI

Positive protection (getting a patent):

Patent law can protect innovations in practices that are based on tradition, such as rongoā or processes, where the formula or use has not been previously disclosed and involves an “inventive step”.

Defensive protection (stopping a patent):

The proposed *Patents Bill*¹⁰ provides for the creation of a Māori Advisory Committee to advise the Commissioner of Patents. The Committee will advise the Commissioner on whether:

- › an invention seeking patent protection is derived from mātauranga Māori and/or from indigenous plants or animals; and
- › the commercial exploitation of the invention is likely to be contrary to Māori values.

If the Committee finds that either of these criteria applies, a patent is unlikely to be granted by the Commissioner. For more information on the proposed *Patents Bill* and Māori Advisory Committee, see www.med.govt.nz/intellectualproperty

What is a patent?

A patent is an exclusive right for a new invention. The owner of a patent can prevent others from commercialising the patented invention for up to 20 years.

Patents represent a contract between the Crown, who is responsible for granting this right, and the inventor. The community benefits from new ideas and research, such as the development of new products and technology. In return for making the details of their invention publicly available, the inventor is granted a period of monopoly protection to allow them to benefit directly from their invention and from the effort and money they have put into it.

Patent protection is provided for under the Patents Act 1953.¹¹

What can be protected by a patent?

Patents are intended to cover products, processes, improvements and testing methods related to manufacturing – that is, how things work, what they do, how they do it, or how they are made. Patents can't be granted for scientific, mathematical or other theories or ideas. To be patentable, such theories must be translated into manufactured products or manufacturing techniques.

The owner of a patent can prevent others from commercialising the patented invention for up to 20 years.

¹⁰ A draft *Patents Bill* to replace the 1953 Act is awaiting introduction into the House of Representatives.

¹¹ A draft *Patents Bill* to replace the 1953 Act is awaiting introduction into the House of Representatives.

Tip

It is crucial that an invention is kept confidential prior to a patent application being filed. Certain confidential disclosures or other exceptional circumstances, such as display or demonstration of the invention at certified exhibitions, such as the annual Mystery Creek® Fieldays®, allow the invention to be disclosed so long as the patent is applied for within six months of the opening date of the exhibition. Special conditions apply. See www.iponz.govt.nz for more details.

What are the benefits of having a patent?

A patent is a business asset that can be bought, sold, transferred or licensed like most other property. Some companies don't actually manufacture their patented inventions, but rather trade and profit from licensing their patents to others.

If your invention is protected by a patent:

- › you have exclusive rights to use or sell your invention;
- › you have exclusive rights to permit or license others to use the invention;
- › you can take legal action against anyone who tries to use your invention without your consent; and
- › the existence of the patent may be enough to deter would-be infringers.

What are the main requirements for patent protection?

- › The invention must be new. If the invention has been described in a publication, used, displayed or otherwise made available or commercialised in Aotearoa-New Zealand before a patent is applied for, then it will probably not be patentable (see Tip).
- › The invention must not be obvious compared to what is already known. The invention must involve doing something more than what would be obvious to someone with a good knowledge and skill in the field of the invention.
- › The invention must be more than just combining two or more known products or processes in a way that produces no new effect or improved result over what the previously known products or processes achieve individually.

What does not qualify for patent protection?

If an invention doesn't meet the above criteria, or if exploiting an invention commercially is regarded as contrary to public policy or morality, it can't be patented.

What rights does a patent give you?

Having a patent for an invention gives you the right to stop others from making, using or selling the invention as claimed during the term of the patent. As discussed previously, in return for the grant of a patent you must make public a complete description of the invention.

Do I have to patent my invention?

No. You are not legally required to obtain a patent for your invention before you use it.

You may choose to keep your invention secret. This approach can be useful if the invention is difficult to "reverse engineer". For example, the Coca Cola® drink recipe has been kept secret through trade secrets. This is possible because the exact formula for the recipe is difficult to reproduce.

Or you may decide that the best way to commercially exploit your invention is to be the first to put the product out into the market. This approach can work well for inventions that have a limited time span, for example, due to trend changes.

There are many IP options and filing strategies. If you are not certain which direction to take, get help from a patent attorney or business mentor who is familiar with IP.

How do I protect my invention?

Searching for patents

Before applying for a patent, it is a good idea to carry out a search to assess the originality of your invention. By searching both Aotearoa-New Zealand and overseas patent databases, you can see if a similar invention has already been developed or published. If you search the patent database you might also find out that if you continue to use your invention, you could be infringing someone else's patent.

You can search patents in the following places:

- › the database on the IPONZ website (www.iponz.govt.nz); or
- › patent databases on the Internet.

Making an application

Patent applications must be made to IPONZ, who will examine the application and decide whether the invention is eligible for the grant of a patent.

A completed application form (available at www.iponz.govt.nz), the appropriate fee, and either a provisional specification or a complete specification must accompany a patent application.

What are specifications?

A patent specification is a written description of the invention, often including drawings and tables, to show how it is made and works. You have the option of filing a provisional specification or a complete specification in the first instance. A provisional specification broadly describes the invention and how it works. A complete specification accurately describes the invention and the best known method of carrying it out, and ends with one or more "claims" which define the scope of the invention.

What are the advantages of filing an application with a provisional specification?

- › The invention is not examined until the complete specification is filed.
- › Your Aotearoa-New Zealand filing date gives you a 12 month priority to file your patent application in most overseas countries.
- › You will get an application number that you can use on the products you manufacture along with the status "patent pending".
- › You can disclose or reveal your invention as described in the provisional specification and gauge how successful it may be before proceeding further.
- › You have extra time to continue your application (up to a maximum of 15 months).
- › You avoid the larger cost of continuing your application until you decide if you will proceed further with your application.



Tip

Many countries require applicants to have an “address for service” in that country in order to file a patent application.

Some countries also require you to use the services of a patent attorney who is registered in that country to file your application.

What does the term “patent pending” mean?

The term “patent pending” signals that someone has applied for a patent for the invention, although it has not yet been granted. “*Patent pending*” can be written on, for example, products made according to the invention or publications relating to the products and how they are made as described in complete and/or provisional specifications.

How much does it cost to apply for a patent?

The fee for lodging a provisional specification is \$50 (excl GST), while the cost for a complete specification is \$250 (excl GST). Please go to www.iponz.govt.nz for the latest information on fees.

In most cases you will need a patent attorney to help draft your application. This will involve separate legal costs.

How long does patent protection last?

Your patent will last for 20 years from the date IPONZ receives your complete specification, as long as you pay the renewal fees. Renewal fees are due at the end of the 4th, 7th, 10th and 13th years of a patent.

Does patent protection extend overseas?

No. Your patent will only protect you in Aotearoa-New Zealand. If you want to protect your invention by patenting overseas there are two options available:

- › You can file applications with the IP Offices in the overseas countries of interest (usually through a local agent). This may be a cost-effective method if you are applying in only a few countries.
- › If you want to apply in a larger number of overseas countries you can make an application under the Patent Cooperation Treaty (PCT). Under the PCT system you can make a single international application to cover as many of the member countries that interest you. Patents filed under the PCT are not “world-wide patents” – there is no such thing. Applications are still filed and examined in the individual countries selected and will have to meet their individual requirements. A PCT application is the first step towards gaining a family of national and/or regional patents overseas. For more information read the IPONZ International Patent Protection publication or visit the World Intellectual Property Organization (WIPO) website www.wipo.int

Trade Secrets or Confidential Information

What is a trade secret or confidential information?

A trade secret or undisclosed confidential information may relate to specific knowledge, a specialist process or “special recipe”, or a product that is unknown to the public (and competitors) and that in turn gives you an advantage over your competitors.

Trade secrets include processes, recipes, quotations and plans prepared for contract bidding, and knowledge acquired by employees as part of their employment.

Who owns a trade secret?

The trade secret is owned by the person or company that holds the secret.

How do you protect your trade secret?

You cannot register trade secrets and confidential information. Your trade secrets should only be disclosed to a limited number of trusted people, and ideally that disclosure should be protected by a confidentiality agreement where there could be a remedy for breach of contract if that information is disclosed.

Trade secrets also receive some protection under the common law action for breach of confidence. Courts can stop the spread of information that is confidential and that was disclosed to a person when that person knew or ought to have known that the information was disclosed in confidence. This extends to information wrongly disclosed to third parties and information obtained through industrial espionage.

The obligation of confidence only exists until the information reaches the public domain, however, when it then becomes free for all to use.

Until recently, breach of confidence or breach of contract have been the only protections available to trade secrets in Aotearoa-New Zealand. Since 2003, however, new provisions in the Crimes Act relating to “taking, obtaining or copying trade secrets” mean that you may also be able to have recourse under this law for some types of intellectual property infringement occurring after 1 October 2003 when the Crimes Amendment Act came into force.

The new offence is only committed where the person taking, obtaining or copying the trade secret:

- › *knows* that the document, model or other depiction contains or embodies a trade secret;
- › *intends* to make money or cause loss to another person; and
- › *acts* without a belief that they were authorised to take, obtain or copy the trade secret and without a belief that their actions were lawful.

This offence will be more difficult to prove than a breach of the general law.¹² Offences under this provision are punishable by up to five years’ imprisonment.

You cannot register trade secrets and confidential information. Your trade secrets should only be disclosed to a limited number of trusted people.

¹²Due to application of the higher standard of proof required by criminal law.

How long does protection last?

The duration of a trade secret is indefinite so long as the information remains undisclosed, has commercial value and the inventor makes a concerted effort to keep the information secret.

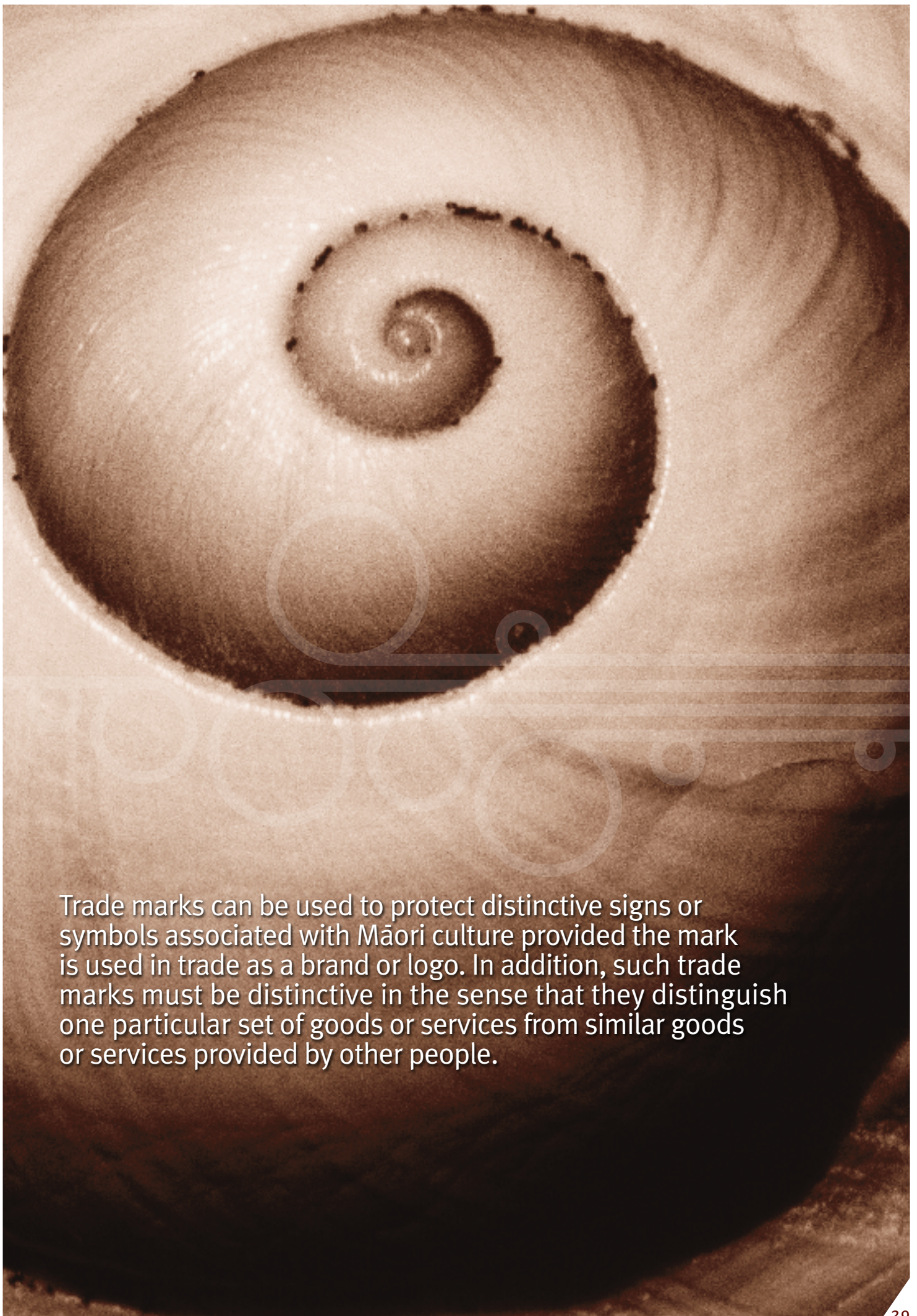
What is not protected?

A trade secret does not prevent competitors from developing an identical product independently, or by copying a product once it is on the market, or from reverse engineering a process. This effectively limits the value of a trade secret where the secret is revealed once a product has been released for commercial sale. In practical terms, the use of trade secrets to protect your IP is likely to be more effective if the secret relates to a process (for example the method for extracting a valuable chemical from a biological organism), that cannot be figured out by competitors once the product is on the market.¹³

Does trade secret protection apply overseas?

Trade secret protection relies on the owner preventing the information from becoming widely known, so it can be protected overseas. The most famous example of a trade secret is the recipe and process for making Coca-Cola[®]. Trade secret protection has effectively prevented other companies from reproducing the drink, allowing Coca-Cola[®] to maintain an advantage over competitors.

¹³Background Paper: What Is Bioprospecting and What Are Our International Commitments?, Kirstie Hall, Ministry of Economic Development taken from Abbott, F., Cottier, T., and Gurry, F., 1999, *The International Intellectual Property System: Commentary and Materials Part One*, Kluwer Law International, The Hague, The Netherlands.



Trade marks can be used to protect distinctive signs or symbols associated with Māori culture provided the mark is used in trade as a brand or logo. In addition, such trade marks must be distinctive in the sense that they distinguish one particular set of goods or services from similar goods or services provided by other people.

Registered Designs

DESIGNS AND MĀTAURANGA MĀORI

Registered designs can be used to protect tradition-based contemporary designs or adaptations of traditional designs where the design gives the finished article aesthetic appeal and is applied by an industrial process. This could cover designs on articles such as textiles, carvings and weaving.

What is a registered design?

A registered design is used to protect the visual features of a manufactured article. The design can be two or three dimensional. For example, a registered design may be granted for the shape of a fork, or a particular pattern applied to a fork, but it would not be granted for designing the fork itself.

A registered design can add value to a product as, in the case of contemporary furniture for example, the design is often what makes it attractive to customers and becomes its unique selling point. This makes the design of a commercial product a potentially valuable asset worth protecting.

Protection in New Zealand is provided to designs through the Designs Act 1953.

What qualifies for registered design protection?

Designs must:

- › consist of “features of shape, configuration, pattern or ornament”;
- › be applied to an article by an industrial process or means;
- › have features which, in the finished article, appeal to and are judged solely by the eye;
- › not be purely functional;
- › not relate to a method or principle of construction; and
- › be new or original.

What rights do you get by registering your design?

With a registered design you get an exclusive right in New Zealand to:

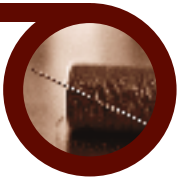
- › import for sale;
- › use in trade;
- › sell or offer for sale;
- › hire or offer for hire;

any article in respect of which the registered design is applied.

What does not qualify for registered design protection?

Where the design of an article is entirely a result of its function or related to a method or principle of construction, it is not eligible for registration (these aspects may, however, qualify for patent protection).

For example, a registered design would not be granted for a chair per se, however contemporary or designer-like it might appear, as this would prevent everyone else from designing chairs. What will qualify for design protection is the particular shape, or the pleasing appearance of the chair, rather than its function as a device for sitting on.



How do I register my design?

To get registered design protection, you need to apply to the Intellectual Property Office of New Zealand on the appropriate form and pay the fee.

There are a number of different application forms for different designs, and the IPONZ website www.iponz.govt.nz indicates which of these should be used for your particular form of design.

As with other types of IP, before you apply to register a design, or launch a new product design, you should check whether anyone else has already registered the same or a similar design. The owner of a registered design can take legal action against anyone using an identical or similar design.

How do you search the New Zealand design register?

There are two ways you can search the design register:

- › Search the registry on www.iponz.govt.nz; or
- › Ask IPONZ to make a search (a fee is charged for this service).

Request for Information using Design Form 27 (if you have a particular registered design number you would like to inspect) or Design Form 28 (if you have a drawing or picture of the design you would like to inspect).

Request for Search using Design Form 29. IPONZ will do a preliminary check to determine whether your design, for which you must supply a drawing or picture, is the same as, or similar, to any other currently registered design.

These forms are available from www.iponz.govt.nz or the IPONZ information line 0508 4 IPONZ (0508 447 669).

How much does it cost to register a design?

To register a design it currently costs \$100 (excl GST) regardless of the application form used. Please see www.iponz.govt.nz for the latest fees.

How do you show that your design is registered?

The article, or the packaging, may carry the words “Regd. NZ Design No...” to show registration. Note: it is an offence for anyone to falsely claim that they have a registered design.

How long does protection last?

A design is initially registered for five years. Renewal fees are charged at five years and 10 years from the application date. The maximum period of protection is 15 years.

Does design protection apply overseas?

Each country has different laws regarding registered design protection. To obtain protection in another country, you will need to make a separate application in that country.

A registered design can add value to a product as the design is often what makes it attractive to customers.

Overlap between copyright and registered designs

One interesting point to note is that having produced an original work, you may also automatically have copyright protection in any design drawings you produce.

In Aotearoa-New Zealand, designers have tended to rely more on copyright protection under the Copyright Act 1994, rather than seeking to register their designs under the Designs Act. Copyright protection is considered to provide a number of advantages over registered design protection, including:

- › there is no requirement to register copyright, therefore protection is automatic and immediate;
- › there is no cost in obtaining protection; and
- › copyright protection lasts for a longer period than design protection.

So why register?

- › A registered design right can allow the owner to prevent another person from exploiting the design, whether or not the other person actually copied the design or created it independently. Copyright only protects against actual copying and infringement of the other exclusive rights.
- › In some countries industrial designs are not protected by copyright, so your unregistered designs may not have protection overseas.
- › The Certificate of Registration serves as evidence in Court of ownership of the design.
- › The number of a registered design may be applied to the product or packaging to indicate that the design is protected.
- › The filing date of a New Zealand design application may be used to establish priority for any overseas design applications.
- › The costs of obtaining registered design protection are not high.

Plant Variety Rights

What are plant varieties?

Perhaps the simplest way to describe these is to think in terms of “apples”. There are many different types or “varieties” of apples, and significant investment is constantly being put into developing new varieties with different or more appealing characteristics. The breeder of a new variety is entitled to apply for IP protection over that variety so they can recover the costs that went into developing that new variety. This form of protection, known as a plant variety right (PVR), does not give that breeder any monopoly over apples in general. Nor does it prevent anyone else seeking to develop a new apple variety. It simply protects the variety that breeder has developed for a certain period of time.

What is a plant variety right?

If you obtain a PVR you have an exclusive right to produce the plant variety for sale, and to sell propagating material (for example, seeds) of that new plant variety. To qualify for protection, the plant variety must be new, distinct, uniform and stable. It must also have an acceptable variety denomination or variety name. A variety that is the subject of a PVR is referred to as a “protected variety”.

In Aotearoa-New Zealand protection is provided for new plant varieties by the Plant Variety Rights Act 1987.

What qualifies for plant variety right protection?

The conditions for granting a PVR are:

New: Your variety will be considered to be new if propagating material, whole plants or harvested material of it has been sold or offered for sale with the agreement of the owner:

1. in Aotearoa-New Zealand for more than one year before the date of application; or
2. overseas, for more than six years before that date in the case of woody plants (for example, trees, shrubs, roses) or more than four years in the case of non-woody plants (for example, herbaceous perennials, vegetables, grasses).

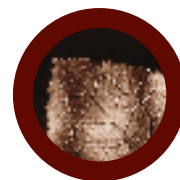
Distinctness: Your new variety must be clearly distinguishable by one or more certain characteristics from any other variety whose existence is a matter of common knowledge.

Uniformity: Your variety must be sufficiently uniform depending on the method of propagation, with each plant of that variety essentially conforming to the variety description.

Stability: Your variety must remain true to its description after repeated propagation.

Denomination (Name): You must propose a denomination or variety name for the new variety, which should conform to internationally accepted guidelines. Note denominations cannot be used as a trade mark and vice versa.

A PVR will only be granted when the New Zealand Plant Variety Rights Office (NZPVRO), the government agency responsible for the granting of PVRs, has determined that the variety fulfils the above criteria.



What rights does a PVR give?

PVR owners have the exclusive right to:

- › produce for sale and sell propagating material of the variety concerned; and
- › in the case of vegetatively propagated varieties, propagate that variety for the purposes of the commercial production of fruit, flowers, or other products of that variety.

How long does protection last?

PVRs last for 20 years for non-woody plants, or 23 years for woody plants, beginning from the date when rights are granted.

Although PVRs are issued for a term of 20 or 23 years, a grant will only remain in force as long as payment of the annual grant fee is made each year – this is due on the anniversary of the date you are granted your PVR.

Are there any exceptions to plant variety rights?

The grant of a PVR does not prevent others from:

- › growing or using a protected variety for non-commercial purposes;
- › using the plants or parts of the protected variety for human consumption or other non-propagating purposes; or
- › using a protected variety for the purpose of plant breeding.

Where do you file plant variety applications?

At the New Zealand Plant Variety Rights Office (www.pvr.govt.nz).

What documents are needed?

You need to complete the application form, a technical questionnaire and pay the fee. Photographs or a sample of seeds will be required, depending on the plant type.

Application forms can be downloaded at www.pvr.govt.nz and should be posted to: New Zealand Plant Variety Rights Office, PO Box 9241, Marion Square, Wellington 6141.

How much does it cost to register a PVR?

The fees for registering a PVR vary depending on the species. Please visit the PVR website at www.pvr.govt.nz to see all the fees.

You must pay an annual fee of \$160 (excl GST) after a grant is made to maintain your PVR.

Does plant variety rights protection apply overseas?

New Zealand breeders who wish to obtain plant variety rights protection in another country must apply through an agent in that country. Aotearoa-New Zealand is a member of the International Union for the Protection of New Varieties of Plants (UPOV) which entitles Aotearoa-New Zealand plant breeders to apply for protection for their new varieties in all other member countries.

Geographical Indications

What is a geographical indication?

A geographical indication (GI) is used to identify goods that have a specific geographical origin and possess a quality, reputation or other characteristic that is essentially due to that place of origin.

A famous example of a GI is “Champagne”. The name Champagne can only be used for sparkling wine that comes from the Champagne region in France.

GIs do a similar job to trade marks in that they help to “brand” a product. They provide information to consumers about the source, quality or other characteristics of goods.

Levels of protection for GIs

There are two levels of protection for GIs:

1. A general level that applies to all types of goods: GIs cannot be used in a manner that misleads the public as to the true origin of the good, or constitutes an act of unfair competition.
2. The higher level of protection that applies to wine and spirits only: Producers from different regions or countries cannot use a wine or spirit GI, even in conjunction with a word such as “like” or “style”, or in translation, regardless of whether their use is misleading or not.

Aotearoa-New Zealand measures relating to GIs

Fair Trading Act 1986

Section 9 of the Fair Trading Act 1986 provides that “no person shall, in trade, engage in conduct that is misleading or deceptive or is likely to mislead or deceive”. If a GI is used in trade to create a misleading impression as to the geographical origin, quality, or some other characteristic of a product, this could be a breach of the Fair Trading Act 1986.

Passing Off

The action of “passing off” (see enforcement case study on page 39) can be used in cases where the goods or services of one person are wrongly represented as being those of another person. There must be loss suffered as a result of consumers being led to believe that they were buying the one trader’s goods when in fact they were buying goods from another trader.

In Aotearoa-New Zealand, French wine interests used the action of “passing off” to prevent non-French winemakers from labelling their sparkling wine “Champagne”.

Trade Marks Act 2002

GIs can be protected as collective or certification trade marks (see page 19), provided they meet the criteria for registration under the Trade Marks Act.



A famous example of a GI is “Champagne”. The name Champagne can only be used for sparkling wine that comes from the Champagne region in France.

Geographical Indications (Wine and Spirits) Registration Act 2006

The Geographical Indications (Wine and Spirits) Registration Act 2006 provides for a voluntary system of registration of Aotearoa-New Zealand and foreign GIs for wine and spirits only. The Act was passed late 2006, but is *not yet in force* (meaning it does not yet have legal effect). The Act will be enacted by regulation. Aotearoa-New Zealand continues to provide protection for GIs, including wine and spirit GIs, by the measures outlined above.

What kind of rights do geographical indications provide?

Unlike most other IP rights, GIs are collective rights, *and are not owned by any one person*. Any producer who produces goods from within the area in question, and meets the requirements in relation to the use of that GI, is entitled to use it.

Is a geographical indication the same as a place name?

A GI is more than simply a name of a place. To qualify as a GI, the term used to identify where goods are from must have acquired or developed a quality, reputation or other characteristic due to the place of origin. This tells people that goods with a particular GI are a product of a certain region, for example, and they can expect those goods to be of a particular standard, quality or reputation.

Enforcement of Intellectual Property Rights

PASSING OFF, FAIR TRADING ACT AND MĀTAURANGA MĀORI

Passing off and the Fair Trading Act may be useful tools to help Māori protect against false or misleading claims of authentic indigenous goods, such as arts and crafts.

In Aotearoa-New Zealand, a number of statutes provide enforcement procedures and remedies for owners of IP rights. The statutes include:

- › Consumer Guarantees Act 1993;
- › Copyright Act 1994;
- › Designs Act 1953;
- › Fair Trading Act 1986;
- › Layout Designs Act 1994;
- › Patents Act 1953;¹⁴
- › Plant Variety Rights Act 1987;
- › Trade Marks Act 2002; and
- › The Crimes Act 1961.

Civil enforcement and existing criminal offences and penalties

The Copyright Act 1994 and the Trade Marks Act 2002

The Copyright Act 1994 and the Trade Marks Act 2002 both contain provisions imposing sanctions for activities that constitute copyright and trade mark infringement. Copyright and trade mark owners can enforce their rights by taking court action if they believe their rights have been infringed. The Courts have a wide range of remedies available to them to compensate owners of copyright and registered trade marks. These include damages, injunctions, orders to account for profits, and orders to deliver up infringing goods to right holders.

The Copyright Act and the Trade Marks Act also contain criminal penalties for wilful infringement on a commercial scale, i.e. piracy of copyright and counterfeiting of registered trade marks for commercial gain. A person convicted of this type of activity may be imprisoned for up to five years or fined up to NZ\$150,000.

The Fair Trading Act 1986

The Fair Trading Act is useful for IP owners, and trade mark owners in particular, seeking to protect their rights. The Act imposes sanctions for forging a trade mark or for falsely applying or using a trade mark or sign that looks similar to an existing trade mark such that consumers could reasonably be misled or deceived. Whether these provisions will apply to activities involving counterfeit goods will depend on the facts of the particular case.

Border Enforcement Measures

Aotearoa-New Zealand has also implemented a number of border enforcement measures. These measures allow trade mark and copyright owners and licensees to request the detention of goods suspected of infringing a registered trade mark or copyright that are intended for sale while they are held by the New Zealand Customs Service. Border enforcement measures do *not*, however, apply to goods imported by a person for their private and home use.

¹⁴ A draft *Patents Bill* to replace the 1953 Act is awaiting introduction into the House of Representatives.

IP owners can ask the Customs Service for help by lodging notices of their Aotearoa-New Zealand registered trade marks and goods subject to copyright protection. When a notice has been lodged, the Customs Service is able to hold unauthorised copies of trade marked goods or goods subject to copyright protection for a period of 10 working days.

For more information, see the Customs website www.customs.govt.nz

Passing off

Passing off is a common law doctrine (common law refers to law that has evolved over time as a result of court rulings) that protects a trader's right to a name or the goodwill in that name.

The most common example of passing off is where a person claims that their products are somehow connected to another trader's products, essentially "cashing in" or "free-riding" on the goodwill and reputation that a trader's products may enjoy in the marketplace. If the market is confused and the products are inferior, a trader may suffer damage including lost sales and loss of market goodwill.

You can take someone to court to stop them from passing off trade marks and/or products. There are three elements that must be established to succeed in a "passing off" action in court:

- › There must be a goodwill or reputation attached to the goods or services which is conveyed to the consumer by means of the identification of the good or service.
- › There must be a misrepresentation to the public (whether intentional or not).
- › The applicant must demonstrate that they have suffered damage due to the wrongly held belief caused by the misrepresentation.

Enforcement case study

Eruera¹⁵ is a jewellery designer who has recently become aware that his pounamu designs are being copied in China (in jade) and sold in tourist shops in New Zealand as pounamu. He wants to stop the reproduction of his designs, many of which are based on traditional art forms from within his whakapapa, and he also wants to stop any further sale of the infringing products.

What rights are available to Eruera?

Eruera's copyright and design rights have been infringed. As well as taking court action for infringement of his copyright and design right, Eruera may also possibly take action for "passing off".

What can Eruera do to stop others from copying his designs?

He can consult a lawyer who is knowledgeable about IP. An IP lawyer will help Eruera work out if it is worth it for him to enforce his rights. Eruera's lawyer can also help him to develop an enforcement strategy.

The first step will usually involve sending the infringing party a "cease and desist" letter. The letter will tell them that they are infringing Eruera's IP rights and that they must stop infringing immediately. It would also be useful for Eruera to send a "cease and desist" letter to the owners of the tourist shops selling the infringing products.

If required, the second step usually involves mediation/arbitration or Court action.

What is a "cease and desist" letter?

A cease and desist letter tells the infringing party that they have infringed your IP right and that they must stop doing so immediately. An example of a cease and desist letter is set out below:

Dear [name]:

It has come to my attention that you have made an unauthorised use of my copyrighted work/registered design entitled [name of work] (the "Work") in the preparation of a work derived therefrom. I have reserved all rights in the Work, first published/registered at the Intellectual Property Office of New Zealand in [date] [if registered design quote number here]. Your work entitled [name of infringing work] is essentially identical to the Work and clearly used the Work as its basis. [Give a few examples that illustrate direct copying.]

As you neither asked for nor received permission to use the Work as the basis for [name of infringing work] nor to make or distribute copies, including electronic copies, of same, I believe you have wilfully infringed my rights under section [quote relevant legislation, for example, section 16 of the Copyright Act 1994].

I demand that you immediately cease the use and distribution of all infringing works derived from the Work, and all copies, including electronic copies, of the same, that you deliver to me, if applicable, all unused, undistributed copies of same, or destroy such copies immediately and that you desist from this or any other infringement of my rights in the future. If I have not received an affirmative response from you by [date – give them about 2 weeks] indicating that you have fully complied with these requirements, I shall take further action against you.

Yours sincerely

¹⁵ All case studies in this guide are hypothetical.

Who enforces Eruera's rights?

Eruera. IP rights are individual property rights, so it is the individual's responsibility to enforce them.

How much will it cost Eruera to enforce his rights through the Courts?

The cost of enforcement can be very high. Enforcement costs can include market surveillance, legal fees, court filing fees, travel to other countries to attend court hearings, time and effort.

For example, a fairly straightforward trade mark infringement court case might cost between \$10,000 and \$50,000.

A more complex patent infringement case (although not common in Aotearoa-New Zealand) requiring expert evidence might cost between \$200,000 and \$750,000.

While the Courts may order the infringer to pay your court costs, it is unlikely that such an order will get back all your enforcement costs. So it might be easier and a lot less costly for the both of you to settle out of court.

If Eruera chooses to go to Court, what is he likely to get out of it if he wins?

Different remedies are available depending on the type of IP right. For example, under the Copyright Act 1994 the infringing goods can be delivered to you or destroyed, an injunction can be placed on the production of further infringing goods, and/or the infringing party can be required to pay you the profits they made from the infringing goods.


How does Eruera enforce his rights overseas?

Each country deals with IP differently. It is therefore important to get an IP lawyer or patent attorney in the country where the infringing is taking place. In most countries, there are laws pertaining to groundless threats of infringement, so when writing to the infringer it is advisable to be polite, state the facts and clearly indicate your intentions. It will be important to weigh up the benefits of taking action for infringement against the likely costs. Your local IP lawyer or patent attorney may be able to advise you further on overseas enforcement.

Are there any other processes Eruera can use to enforce his rights?

Because court cases cost a lot, "alternative dispute resolution" is becoming more popular. There are two main types of alternative dispute resolution:

- › **Mediation** is a structured negotiation with a mediator where the parties to the dispute identify options to resolve the dispute and assess them. A wider range of solutions can be considered in mediation than in the courts.
- › **Arbitration** is more structured. An independent arbitrator is appointed who will make the final decision. You have only limited rights of appeal from an arbitration, which discourages some people from using it. However, like mediation, the advantages are that it is usually faster and cheaper than going to court, with the added advantage of confidentiality.



Passing off and the Fair Trading Act may be useful tools to help Māori protect against false or misleading claims of authentic indigenous goods, such as arts and crafts. The cost of enforcement can be very high. Enforcement costs can include market surveillance, legal fees, court filing fees, travel to other countries to attend court hearings, time and effort.

Bioprospecting, Intellectual Property Rights and Mātauranga Māori

Example – A patent revoked by the European Patent Office¹⁶

In 1995, a patent based on the antifungal properties of an Indian medicinal plant, Neem (*Azadirachta indica*), was granted by the European Patent Office (EPO) to international interests. A number of parties opposed this move on the grounds that the biological properties of this plant had been known in India for over 2000 years. Neem is used by Indian communities in a range of products, for example, as an oil against fungus growth, in soaps, contraceptives, cosmetics and insect repellents. On this basis, the patent was eventually revoked in 2005.

What is bioprospecting?

Bioprospecting can mean different things to different people. A commonly used definition is: bioprospecting is the collection and examination of biological resources, such as plants and animals, for features that may be of value for commercial development.

What is the difference between access to genetic resources and benefit-sharing and bioprospecting?

Access to genetic resources and benefit-sharing (ABS) has a broader meaning than bioprospecting. ABS can also apply to non-research activities such as the collection of fire wood for fuel. However, ABS is often used to mean the same as bioprospecting as defined above.

What is the relationship between bioprospecting, mātauranga Māori and intellectual property?

There are links between bioprospecting, mātauranga Māori and IP rights. For example, during the initial stages of a research project involving bioprospecting, mātauranga Māori can help researchers to better target the search for interesting biological material. In contrast, the acquisition of IP rights during a research project involving bioprospecting usually occurs much further down the track, in the later stages of a research project. The diagram opposite depicts the possible steps in a research project that involves bioprospecting, mātauranga Māori and IP protection.

However, the relationship between genetic resources, mātauranga Māori and IP rights is extensively debated internationally. For example, concerns have been raised regarding IP rights being granted where, in view of prior traditional knowledge regarding genetic resources, there is no uniqueness or novelty.

Where can I find out more about bioprospecting?

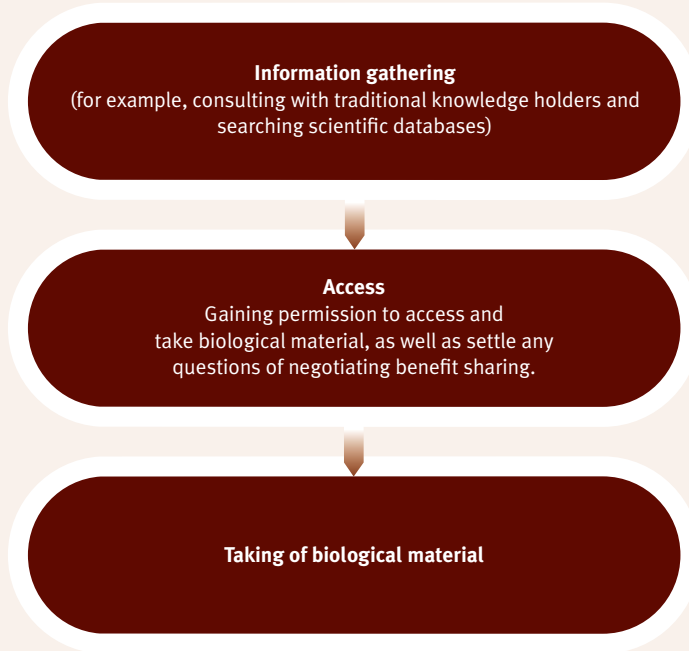
For more information see the following websites:

- › Convention on Biological Diversity (CBD) website www.cbd.int
- › WIPO website www.wipo.int
- › World Trade Organisation website www.wto.org
- › Ministry of Foreign Affairs and Trade website www.mfat.govt.nz
- › Ministry of Economic Development website www.med.govt.nz/intellectualproperty

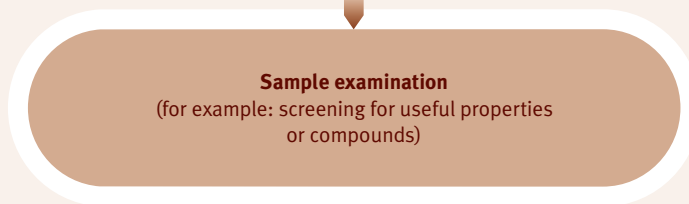
Both the Secretariat of the CBD and WIPO have developed practical resources for those involved in negotiations regarding the access and use of genetic resources, including through the provision of a range of options for dealing with IP issues in access and benefit-sharing agreements.

¹⁶ Source: <http://www.epo.org/about-us/press/releases/archive/2000/10052000.html>; D. Dickson, K. S. Jayaraman, *Nature*, 1995, 377, 95.

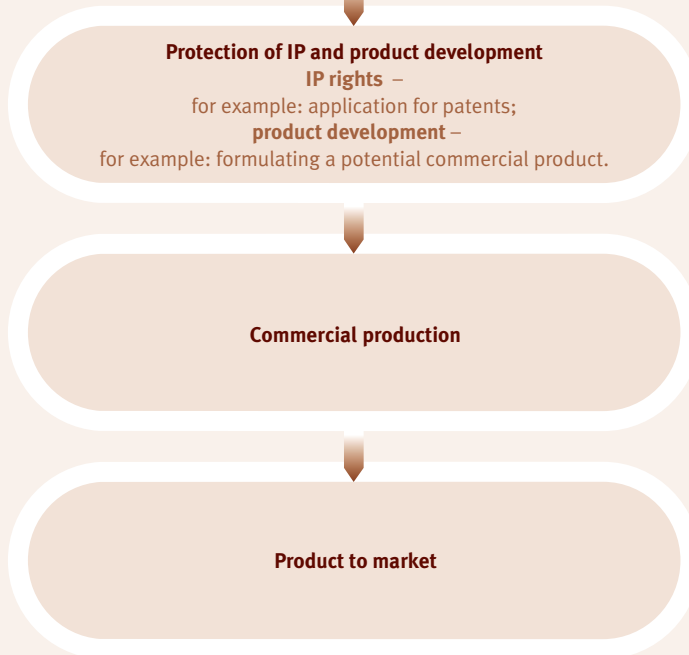
BIOPROSPECTING



BIODISCOVERY



COMMERCIALISATION PHASE



Bioprospecting case study

Maria¹⁷ grew up on her marae surrounded by her whānau. As such she was taught about the landscape within her tribal rohe and of the uses of various plants and genetic resources. Maria has been given the role of kaitiaki of the breeds of harakeke within her rohe.

Growing up Rongo, her son, also observed a number of his mother's practices. One in particular was Maria's use of a rare harakeke plant found only in the large forest within their hapū boundaries. This plant is used by Maria to alleviate rheumatism and other pains in the joints and muscles.

Recently, Rongo was approached by a Research Institute which is carrying out a range of publicly-funded research for non-commercial purposes. They have sent Rongo a proposal to come into the rohe to take a sample of this plant (this is called bioprospecting) as they are aware that it is only found in their particular area. The Research Institute is not aware of the way Maria uses this particular plant as rongoā. Their proposal indicates that they are interested in researching the plant to see if it has any special properties or features. Their research is for non-commercial purposes at present, but they note that this might change if a commercial application was discovered during the research.

Rongo is aware that his hapū might not be willing to allow access to this plant. He is very mindful that his mother is the kaitiaki of the harakeke within their rohe, and as such is responsible for the physical and spiritual health of the plants.

Accordingly, before approaching his people about the Research Institute's proposal and to ensure their interests are protected, Rongo decides to gather together all the relevant information. He also wonders whether it would be useful to talk with his mother and, if she agrees, to the wider hapū about possibly advising the Research Institute of the particular healing qualities the plant in question has. He wants to gather information on this possibility as well.

What does the Research Institute need to do in order to carry out bioprospecting activities within this rohe?

The particular harakeke is only found in a forest on privately owned land, so the Research Institute will need to get the landowner's consent to come and take a sample. The landowner in this case is a Forest Trust owned by Maria and Rongo's hapū.

¹⁷ All case studies in this guide are hypothetical.

What types of benefits can the hapū gain from allowing access?

As a condition of allowing access to the resource on their land, they can negotiate with the Research Institute to share some of the benefits that may arise from the use of this harakeke. These benefits can be monetary or non-monetary.

For more information on examples of monetary and non-monetary benefits see the Secretariat of the Convention on Biological Diversity website, www.cbd.int¹⁸

What type of information should Rongo obtain from the Research Institute to be able to advise his people on whether or not to grant access to the harakeke?

Before granting access to their land and the harakeke, it is important that Rongo's people are fully informed on the implications of doing so. On this occasion, it would be useful for Rongo to obtain the following information from the Research Institute:

- › the contact person within the Research Institute and the collector;
- › the quantity of the plant material that will be collected;
- › the starting date and duration of the bioprospecting activity;
- › the geographical prospecting area;
- › an evaluation of how the activity may impact on the environment (for example, *how* the plant would be accessed (by foot, four wheel drive?) and how *frequently* (one-off or twice a year?);
- › accurate information about the intended use of the resource including, for example: research, commercialisation, taxonomy – how it will be classified, and collection;
- › where the research and development will take place (for example in the North Island or South Island of Aotearoa-New Zealand, or even overseas);
- › how the research and development is to be carried out;
- › the purpose of the collection, research and expected results;
- › types of benefits that could come from obtaining access to the resource, including benefits from commercialisation and other uses of the resource;
- › indication of benefit-sharing arrangements;
- › budget;
- › how confidential information, including the applicable mātauranga Māori, will be treated.

This information should help Rongo's hapū to weigh up the costs and benefits of granting the Research Institute access to their land and to the harakeke.

If they do decide to allow the Research Institute to take a sample of the harakeke, what is the best means of granting consent?

It is very important to give consent in writing. This is often referred to as an “access agreement” and it will set out how the relationship between the hapū and the Research Institute will be managed. It is also important to obtain legal advice before signing an access agreement and to clarify early in the process who will pay for the legal fees associated with the access agreement.

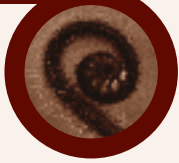
Examples of *monetary* benefits might include:

- › access fees;
- › up-front/milestone payments;
- › royalties (from the commercialised product);
- › joint ventures;
- › research funding;
- › salaries and preferential terms where mutually agreed; and/or
- › joint ownership of relevant IP rights.

Examples of *non-monetary* benefits might include:

- › participation in product development;
- › contribution to education and training;
- › capacity building;
- › professional relationships that can arise from an access and benefit-sharing agreement and subsequent collaborative activities;
- › contributions to the local economy;
- › joint ownership of relevant IP rights; and
- › sharing of research and development results.

¹⁸ See Secretariat of the Convention on Biological Diversity (2002). *Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of the Benefits Arising out of their Utilization*. Montreal: Secretariat of the Convention on Biological Diversity.



Generally, an access agreement should cover the following areas at a *minimum*:

- › defining the parties to the agreement (for example, if the hapū wanted to control the bioprospecting sample tightly, they may consider contracting with a specific research group within the Research Institute, meaning that a “third party” could be any group outside of the named group in the agreement, including other groups within the same Research Institute);
- › the type and quantity of the resource and the geographical area of activity;
- › details relating to the collection of material including dates, method of collection, and steps to avoid any adverse environmental impacts;
- › any limitations on the possible use of the material;
- › whether the terms of the agreement in certain circumstances, for example, change of use, can be re-negotiated;
- › whether the genetic resources can be transferred to third parties (that is those not party to the access agreement) and what conditions should be imposed in such cases;
- › how the mātauranga Māori associated with the particular resource will be respected and protected;
- › the treatment of confidential information, including the mātauranga Māori;
- › provisions regarding the sharing of benefits arising from using the resource, including the mātauranga Māori associated with it.

If the hapū does decide to grant access to the Research Institute to collect samples of the particular harakeke, they could use a checklist (see Appendix) to help develop the access agreement.

What will happen if the Research Institute decides to commercialise its findings following its research of the harakeke?

The Research Institute have indicated that they only want to obtain a sample of the plant for non-commercial scientific research. At this stage, they have no intention to commercialise the findings of their research.

However, if their intentions change, the clause in the agreement about renegotiating terms if the Research Institute wants to commercialise its findings will kick in. If this happens, the renegotiated terms could include provisions to share the commercial benefits in a fair and equitable way with the hapū.

What happens if the hapū tells the Research Institute about the rongoā of the harakeke?

When the Research Institute visits the hapū to discuss their research (before signing the access agreement), they are told that the cream Maria makes from the particular harakeke is great for fixing muscular aches and it works better than anything else they had tried before.

The researchers were not aware that the plant had this particular effect. They discuss the matter and decide to approach Rongo to talk about the possibility of doing some research on Maria's mātauranga Māori of the harakeke.

Rongo is receptive to the idea and thinks there could possibly be some financial benefits for his hapū. He is mindful, however, that the mātauranga Māori which his mother has for this harakeke has been passed on to her from her kuia to hold on behalf of all of the hapū and that she is essentially a kaitiaki of all of the harakeke within their rohe.

For this reason, at a minimum, he and his mother would need to be assured that the integrity of their mātauranga Māori would be respected before approaching the wider hapū about the Research Institute's proposal. Rongo wants to gather information on possible safeguards to assist his mother's and his hapū's consideration of the proposal.

What types of commitments should Rongo seek from the Research Institute in relation to Maria's mātauranga Māori?

At a minimum, there are three commitments that would be useful:

- › The integrity of the mātauranga Māori relating to the harakeke is respected by the collector and user and the collection and use is carried out in a way that doesn't denigrate or in any way affect the integrity and value of the mātauranga Māori.
- › Fair and reasonable effort is made to preserve both the harakeke and the mātauranga Māori.
- › Adequate compensation and sharing of benefits is provided including a recognition of the hapū who owns the land where the harakeke sits and whose mātauranga Māori is contributing to this opportunity.

What if the hapū agree to share their knowledge on this occasion?

The access agreement should be drafted setting out the protocols and conditions for use of the mātauranga Māori, including the commitments set out above. These provisions should be approved, and preferably drafted, by the hapū or its legal representatives. For example, it is possible to restrict the use of the mātauranga Māori to certain purposes, or to prohibit publication of certain aspects of it. Any proposed agreement should include these or similar provisions that reflect the collective wishes of the hapū.

What will happen if the Research Institute wants to apply for IP rights over an outcome of their research based upon this plant resource?

The proposed access agreement should specify how any formal IP rights will be addressed, including who will own, manage and enforce the IP rights.

Documentation of Mātauranga Māori

Example – Documentation of mātauranga Māori

His passion for Māori food has led Hohepa¹⁹ to decide to write a book about Māori kai and how it was prepared and stored. He is conscious that the art of preparation and the taste for Māori food is dying and would like to take steps to preserve this knowledge for generations to come. Before he documents anything, however, he would like to know more about the risks and benefits of documenting this mātauranga Māori?

Documenting mātauranga Māori includes recording it, writing it down, taking pictures of it or filming it – anything that involves recording mātauranga Māori in a way that preserves it and could make it available to others to learn about it.

What are the benefits of documenting mātauranga Māori?

Documenting mātauranga Māori allows it to be preserved in a way that is accessible to most people. It is different from the traditional ways of preserving and passing on knowledge within a whānau, hapū or iwi, which were primarily oral or depicted in art. It can allow members of a whānau, hapū or iwi who don't encounter it regularly, or don't have sufficient knowledge of te reo Māori, to become familiar with the tribal stories, practices and processes.

Documenting or recording mātauranga Māori is one measure you can take to guard against its loss.

The documentation of mātauranga Māori can also be a tool to prevent others from attempting to register or seek IP rights protection for applications based upon your mātauranga Māori. For example, patents are granted if the invention is novel (new) and involves a method of new manufacture. If an invention is based on mātauranga Māori, and that mātauranga Māori has been documented, the documentation can be used to prove the invention is not new, and should not be eligible for a patent.

For example, if a pharmaceutical company attempted to register a patent for kawakawa tea as a blood purifying agent, provided the knowledge behind this application has been documented, the proposed registration could be challenged on the grounds that it is not novel, does not involve a method of new manufacture and is based upon mātauranga Māori.

What are the risks of documenting mātauranga Māori?

There are a number of risks associated with documenting mātauranga Māori. These include the risks of:

- › the mātauranga Māori entering the public domain – this is described further below; and
- › the mātauranga Māori being used in an inappropriate way by others, including merchandise.

A further risk involved in documenting or recording mātauranga Māori and its applications (including rongoā-based applications) is that you may inadvertently compromise the novelty or newness that is inherent in that knowledge. This means you might make it ineligible for formal IP protection further down the track. For example, if you have an invention that is based on mātauranga Māori but is not widely known or used, a patent may be granted over that invention provided it is new and involves a method of manufacture. If you document that knowledge and it enters the public domain, it will no longer be new, and you cannot be granted a patent right over that invention.

¹⁹All case studies in this guide are hypothetical.

Many of these risks can be overcome, however, by careful planning and clearly identifying the objectives for documenting mātauranga Māori before the actual documentation takes place. For example, your objective may be to keep sacred knowledge secret. This can be achieved by limiting the access to the sacred mātauranga Māori to selected kaumātua and whānau, hapū or iwi members only.

Documenting or recording mātauranga Māori is one measure you can take to guard against its loss.

What is the public domain?

When IP rights over a work or invention expire, the work or invention automatically enters the “public domain”. This means your work can be used by anyone without infringing your IP rights.

For example, the copyright in the stories *Romeo and Juliet*, *Othello* and *King Lear* (to name a few) written by William Shakespeare expired in the year 1666 (50 years after the death of William Shakespeare). These stories have now entered the public domain and can be copied, circulated, performed and broadcast without infringing William Shakespeare’s copyright in the works.

Similarly, 50 years after his death in 1950, the writings of Tā Apirana Ngata also came out of copyright, effectively placing these in the public domain.

How do I prevent information entering the public domain?

The trade-off for gaining a monopoly right over the IP is that it does enter the public domain once the term of protection expires. The only way to prevent information entering the public domain is to keep it secret through the use of trade secrets, by not telling anyone, or in the case of documented knowledge, restricting access to those you know are not going to disclose the information.

These methods are usually reinforced through contract law – by having people sign a contract to keep the information confidential.

Who will own the copyright in the documented knowledge?

Where someone other than the author of a work physically records the information, the author will usually have copyright in the work. However, the person who physically records the information will also have copyright in the recording of the work, rather than the work itself. For example, if a kaumātua was reciting his or her whakapapa to a person who was writing the whakapapa down, the author (kaumātua) would own the copyright in the written work. The person recording the work would have copyright in how the whakapapa was recorded.

Copyright can, however, be assigned, so the copyright in the recording could be assigned back to the kaumātua, or alternatively to an organisation, for example the hapū or iwi trust board.

Can a collective own the copyright in the work?

Yes, copyright can be owned by a collective, provided the collective is a legal entity – for example, a Māori Trust Board.

Where can I find out more about documenting mātauranga Māori?

To access the World Intellectual Property Organisation Creative Heritage Project: IP Guidelines for Recording, Digitizing and Disseminating Intangible Cultural Heritage visit: <http://www.wipo.int/tk/en/folklore/culturalheritage/index.html>

What's happening in IP Policy?

As a logical extension of its work on trade marks and patents, the Ministry of Economic Development has developed a three-staged work programme to examine more closely the relationship between IP rights and systems and traditional knowledge (TK). The programme is summarised in the diagram on page 52.

There are three stages to the work programme:

- › Capacity building, engagement and information sharing.
- › Problem definition (where we seek to identify what problems exist in Aotearoa-New Zealand surrounding the relationship between IP and traditional knowledge).
- › Development of options and consultation on these options, which will be followed by policy recommendations to Government.

Stage One

The objective of the various Stage One projects and initiatives within this work programme is to build the capacity of Māori so they understand the opportunities and risks the IP system provides to mātauranga Māori and its holders. At the same time, Stage One is also designed to increase our own awareness within the Ministry of the implications the IP rights system may have for traditional knowledge and its holders. We also hope to gain insight as to the wider issues that surround traditional knowledge.

This Guide is one of the key initiatives under Stage One of the work programme.

Stage Two

The second stage of this work programme involves identifying any problems associated with the relationship between IP and traditional knowledge in New Zealand.

Stage Two will begin with a discussion document. The document will include some background to traditional knowledge and IP-related issues, and will seek submissions from interested parties on problems they have faced, or are aware of in this context. One of the objectives of Stage Two of our work programme is the creation of a formal problem definition to, in turn, provide a framework for the development of solutions to address these issues.

The Ministry would also be keen to receive your feedback on the direction Aotearoa-New Zealand should be taking in the international arena – where these issues are most frequently discussed, concerning IP rights systems and the cross-over these have with traditional knowledge.

Our proposed discussion document will also consider related issues and highlight any processes currently in place to deal with them. As well as the document, there will be community-based consultations where communities are interested and think they would be useful.

Stage Three

Stage Three of our work programme will involve the development of options and possible solutions to address some of the issues that have become apparent in terms of traditional knowledge and mātauranga Māori and the relationship this has with IP rights systems. These will be based on the information we receive from your written submissions, feedback generally from interested parties in response to our discussion document, and to any community-based consultations we may be invited to attend.

We anticipate that the issues raised in submissions are very likely to cut across a range of policy areas including the following:

- › intellectual property;
- › cultural heritage policy;
- › conservation and environmental policy;
- › access to genetic resources and benefit sharing; as well as
- › international standards on each of these matters.

So we hope to work closely with other agencies to ensure that the solutions we develop will have as broad a range of input as possible.

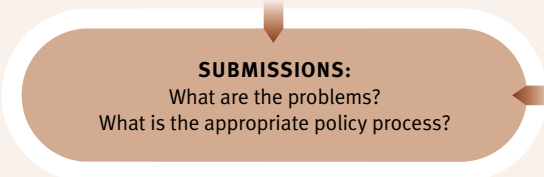
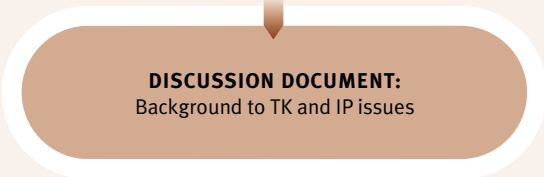
The objective of the various Stage One projects and initiatives within this work programme is to build the capacity of Māori so they understand the opportunities and risks the IP system provides to mātauranga Māori and its holders.

IP and TK Work Programme

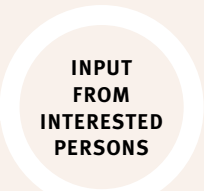
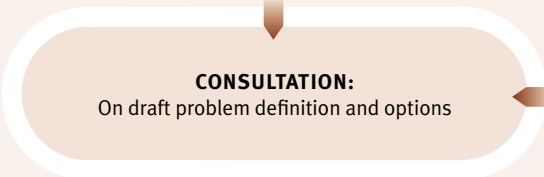
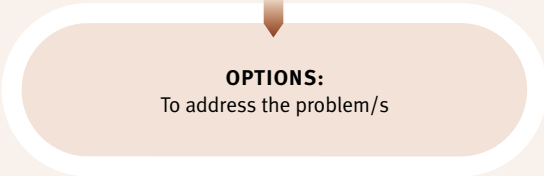
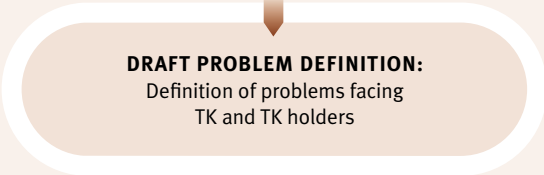
STAGE ONE



STAGE TWO



STAGE THREE



Appendix

CHECKLIST FOR ACCESS AGREEMENT²⁰

General provisions

- purpose of agreement
- parties to the agreement (including legal status of the provider and use of the genetic resource, contact details of both parties)
- definition/interpretation section

Access and benefit-sharing provisions

- description of the resource covered by the agreement
- the geographical location for collection
- details of person(s) carrying out collection of resource
- means and description of collection (for example, mechanical, hand)
- date(s) of collection and frequency of collection
- quantity of resource to which access is sought
- impact (physical, visual, audio, spiritual) of collection and removal of resource material to the environment
- permitted uses (for example, research, breeding, commercialisation)
- identification of where research and development will take place
- information on how the research and development is to be carried out
- purpose of collection, research and expected results
- statement providing that any change to the permitted use would require the terms of the agreement to be renegotiated
- how the mātauranga Māori associated with the particular resource will be respected and protected
- whether IP rights may be sought and if so, under what conditions
- identification of the types of benefits that could come from obtaining access to the resource, including benefits from derivatives and products arising from the commercialisation and other use of the resource
- terms of benefit-sharing arrangements, including commitment to share monetary and non-monetary benefits and the timing for sharing benefits
- no warranties by provider of the resource on identity and/or quality of the resource
- whether the resource may be transferred to third parties and if so, what conditions would apply
- acknowledgement of source material/knowledge

²⁰ See Secretariat of the Convention on Biological Diversity (2002). *Bonn Guidelines on Access to Genetic Resources and Fair and Equitable Sharing of the Benefits Arising out of their Utilization*. Montreal: Secretariat of the Convention on Biological Diversity.

Legal provisions

- obligation to comply with the agreement
- duration of agreement
- notice to terminate the agreement, including provision that the obligations in particular clauses will survive the termination of the agreement
- independent enforceability of individual clauses in the agreement
- events limiting the liability of either party
- dispute resolution arrangements
- assignment or transfer of rights
- assignment, transfer or exclusion of the right to claim any property rights, including IP rights, over the genetic resources received through the agreement
- choice of law (for example Aotearoa-New Zealand)
- confidentiality clause, including how this applies to the mātauranga Māori associated with the particular resource

USEFUL WEBSITES

National

For information about IP rights policy and legislation visit the Ministry of Economic Development website at www.med.govt.nz/intellectualproperty or phone on 04 472 0030.

To register a patent, trade mark, or design visit www.iponz.govt.nz or call them on 0508 4 IPONZ (0508 4 47669).

To register a plant variety right visit www.pvr.govt.nz or call them on 0508 447 669.

For online copies of New Zealand IP legislation, see www.legislation.co.nz

For more information about toi iho™ māori made™ mark visit www.toiiho.com

For information about copyright licensing of music, see the Australasian Performing Rights Association website, <http://www.apra.com.au/> and the Phonographic Performances New Zealand Limited website, <http://www.rianz.org.nz/rianz/PPNZ.asp>

For more information about copyright licensing of published works, like books, journals and periodicals, see the Copyright Licensing Limited website, <http://www.copyright.co.nz>

International

For information about the Convention on Biological Diversity, visit www.cbd.int

For information about how intellectual property relates to business, visit the World Intellectual Property Organization Small to Medium Enterprise website at www.wipo.int/sme

For information about how IP relates to traditional knowledge, genetic resources and traditional cultural expressions/folklore visit the World Intellectual Property Organization Traditional Knowledge website, www.wipo.int

For information about the World Trade Organization and the TRIPS Agreement, see www.wto.org

GLOSSARY OF TERMS

Assignment: The legal transfer of intellectual property rights to another party.

Bioprospecting: Bioprospecting can mean different things to different people. A commonly used definition is: bioprospecting is the collection and examination of biological resources, such as plants and animals, for features that may be of value for commercial development.

Biodiscovery: The analysis of a biological material's properties, or its molecular, biochemical or genetic content, for the purpose of developing a commercial product.

Biological resources: Biological resources includes organisms, parts of organisms, genetic resources, populations and any other biotic component of an ecosystem with actual or potential use or value for humanity.

Commercialisation: the process of turning an idea into a commercial product or service.

Genetic resources: Any material of plant, animal, microbial or other origin has the ability to pass down genetic traits from a parent to offspring and has actual or potential value for humanity.

* **Harakeke:** flax leaf.

Infringement: Unauthorised use of another person or organisation's intellectual property rights.

* **Kai:** food.

* **Kaitiaki:** caretaker or guardian.

* **Kuia:** female elder.

* **Kaumātua:** elder.

* **Kaupapa:** philosophy, theme.

Licence: An agreement between the intellectual property right holder and a third party for authorised use of the intellectual property.

Public domain: When intellectual property rights over a work or invention expire, the work or invention automatically enters the "public domain". This means that it can be used without infringing the author or creator's intellectual property rights.

* **Rongoā:** medicine, healing drug, antidote, tonic.

* **Rohe:** boundary or territory.

* **Rōpū:** group.

* **Tikanga:** meaning custom, obligations and conditions.

* **Tipuna:** ancestor, grandparent.

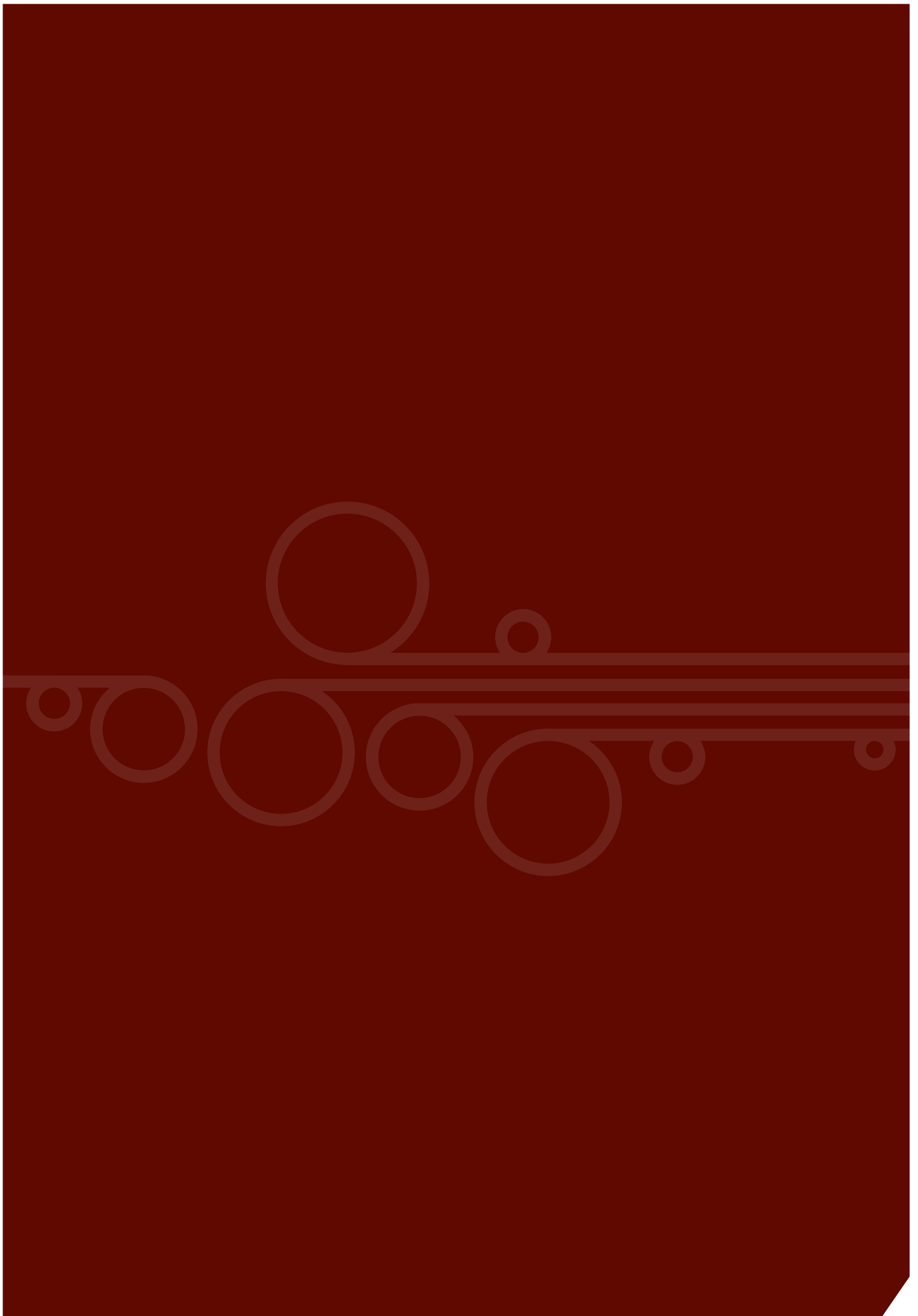
Taxonomy: the practice of classifying things, for example, living organisms.

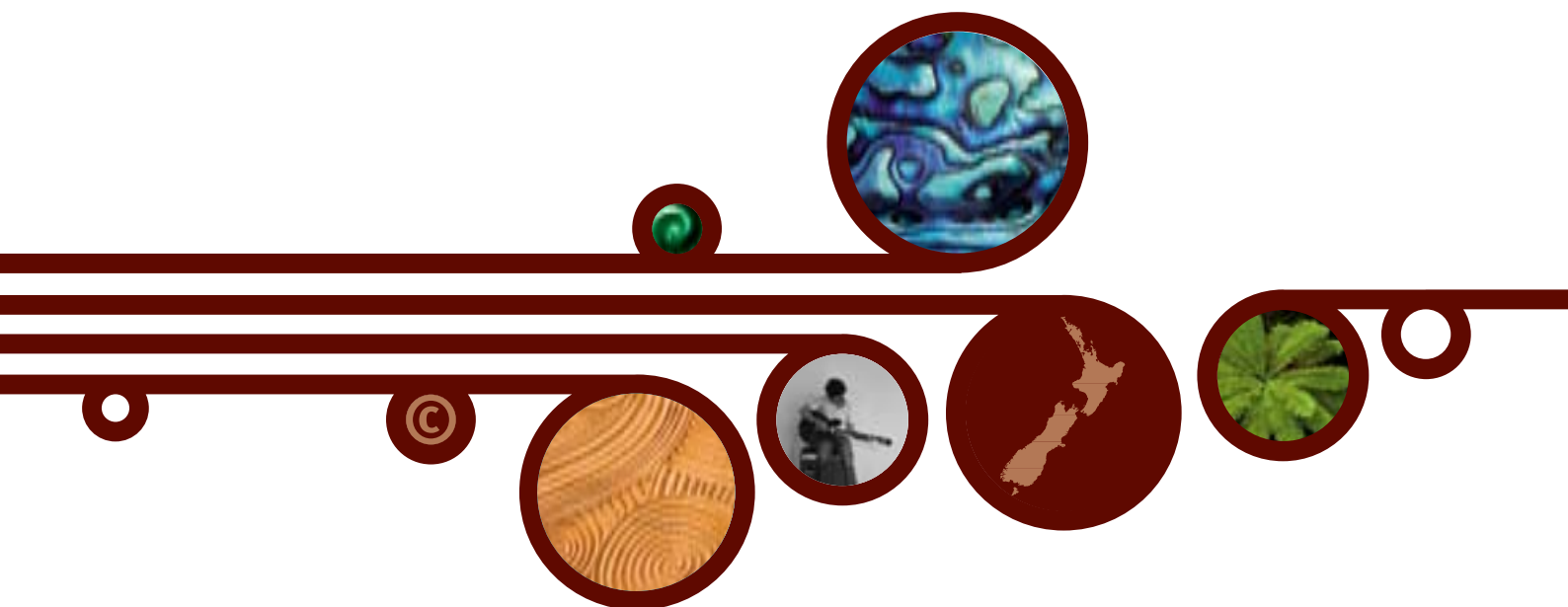
* **Waiata:** song or chant.

* **Whakapapa:** genealogy.

* **Whānau:** extended family.

* Source: P.M. Ryan, *The Reed Dictionary of Modern Māori* (Reed Publishing NZ Ltd) 1995.





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